



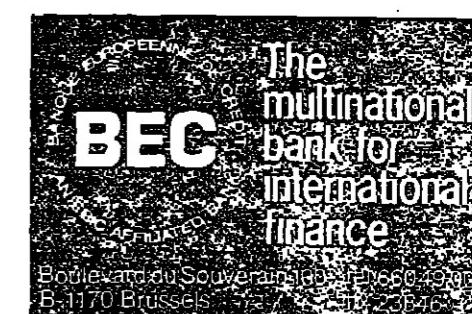
# FINANCIAL TIMES

PUBLISHED IN LONDON AND FRANKFURT

No. 28,364

\*\*\*25p

CONTINENTAL SELLING PRICES: AUSTRIA Sch 15; BELGIUM Fr. 20; DENMARK Kr. 6.00; FRANCE Fr. 4.50; GERMANY DM 2.00; ITALY L 800; NETHERLANDS FI 2.00; NORWAY Kr. 6.00; PORTUGAL Esc 45; SPAIN Pta 75; SWEDEN Kr. 6.00; SWITZERLAND Fr. 2.00; EIRE 30p; MALTA 25c



Thursday January 8 1981

## NEWS SUMMARY

### GENERAL

**Solidarity heads for clash on free-days**  
**Dollar recovery hits Gold, Sterling**

Ireland's independent union solidarity yesterday appeared to be heading for a collision with the Government after union leaders declared they were against Saturday working.

The first clash could come his Saturday. The Government has declared it a working day. Industrial production would fall by 5 per cent if all Saturday's are free, says the Government. Back Page.

### Water strike

Unions said support for a national strike by workers in the water industry was growing and could result in a rash of unofficial stoppages. Back Page.

Most workers rejected a 9 per cent pay offer. Page 5

### Ferry stoppage

Cross Channel ferry seamen in Dover voted to strike for 24 hours on Monday as part of their union's national campaign over pay. Back Page.

### Cash for Cadbury

Peter Cadbury, ousted as chairman of Westward Television in a boardroom row last summer, has been given a £75,000 golden handshake." Back Page.

### Red Brigade plea

Imprisoned leaders of Italy's Red Brigades urban guerrillas are reported to have called for the release of kidnapped magistrate Giovanni D'Urso.

### 30 Times bids

The Press Council is to hold an inquiry into the coverage of the events leading up to Peter Sutcliffe's appearance before Dewsbury magistrates on Monday.

### Garages attacked

Consumers' Association said a survey of 50 garages presented an appalling picture of incompetence." It is pressing for an Office of Fair Trading inquiry. Saudi request

West German Government is considering a Saudi Arabian request for arms, including tanks, and may relax its restrictive weapons export policy. Back Page.

### Iraqi riposte

Iraq said its forces destroyed an Iranian armoured brigade in Shusha, killing hundred's of Iranians and capturing scores of other Iraqi prisoners. Page 3.

### Atom waste fire

Liquid nitrogen was used to put out the overnight fire in a nuclear waste silo at a nuclear reprocessing plant near Cheltenham under control.

### Surgeons' code

BMA called for more formal training for plastic surgeons when it approved a new code of practice for doctors in private cosmetic surgery clinics.

### TWA protest

Trans World Airlines protested to the UK Trade Department over the Civil Aviation Authority's refusal to allow it to offer transatlantic flights for children. Page 6.

### The mugs' game

The Government launched its £50,000 campaign to ban alcohol from Scottish soccer grounds with the slogan: "Taking a drink to the match is a mug's game."

### CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

Anglo-Metropolitan	81 + 7
Bakers' Hold. Sps.	106 + 11
Carlife Property	55 + 6
Crystelite	60 + 10
First Castle	50 + 6
Jamaica Signs	27 + 31
Just & Cartell	70 + 10
McCorquodale	110 + 15
Micra	111 + 19
Middle White	850 + 30
National	118pce 1980, 1981
Amstrad Computers	120 + 10
Associated Newspapers	206 + 7
Boots	201 + 5
British Airways	150 + 6
British Telecom	26 + 4
E.R.F.	46 - 3
GEC	538 - 15
Globo	260 - 6
Grand Metropolitan	147 - 5
Highland Distilleries	58 - 4
ICI	312 - 5
Land Securities	367 - 5
Lloyd's Bank	328 - 5
NatWest Bank	372 - 10
Pilkington	282 - 10
Plessey	255 - 11
Pratt (F.)	48 - 6
Racial Electronics	21 - 14
Royal Ins. "New" pm	20 - 6
BP	260 - 57
Blythor	500 - 16
Cons. Gold Fields	200 - 23
Kitchener Mining	295 - 12
Western Holdings	201 - 12
York Resources	95 - 9

## Joint investigation on 'unfair' energy costs for British industry

BY ALAN PIKE

A JOINT Government-industry trade union task force is to be set up to look at evidence that British industry is being unfairly hit by high energy prices. The move, which was agreed at a meeting of the National Economic Development Council yesterday, was hailed as a "breakthrough" by Mr. Geoffrey Chandler, NEDC director general, and by the Confederation of British Industry.

The task force, which will be chaired by Mr. Chandler, will consist of about 12 members from the Government, CBI, TUC, energy supply industries and National Economic Development Office. It will be required to act quickly to report back to the March NEDC meeting.

STERLING traded quietly with little overall change, but closed 1.25p down at \$2.4130. Its trade-weighted index was unchanged at 79.0. Page 25

● GOLD lost ground steadily, reflecting the dollar's firmer trend, to close \$24 down in

its placid statistical document. Members of the NEDC unanimously agreed to establish the task force after it was proposed by Sir Terence Beckett, director general of the CBI. The Government has given no undertaking that it will act on its findings. But "it would be

confined to larger consumers in the paper and board, steel, chemicals and foundry industries. One of the apparent achievements of yesterday's NEDC debate is that there is, in Mr. Chandler's words, "no longer a dispute that such a problem exists."

Industrialists on the NEDC

see the Government's willingness to join the task force as a constructive improvement on the tone of a document presented to the council.

This took account of the information compiled by NEDC, but concluded that there were considerable difficulties involved in making accurate and representative international comparisons.

At the council's debate, Mr. Lamont also took issue with some of the specific findings in the NEDC report, such as alleged disadvantage suffered by British industry on gas prices.

But industrialists believe that the NEDC report agrees closely with their own research, and that the task force gives them a good opportunity to convince Ministers that action is required.

The main problem has been

## Double blow to Thatcher hope for 'quiet reshuffle'

BY ELINOR GOODMAN

MRS. THATCHER's hopes of achieving her Ministerial reshuffle "quietly and efficiently" received a double blow yesterday, providing further examples of the difficulties she faces in presenting a picture of a united team.

First, the Prime Minister was forced to reassure Mr. Norman St John Stevas, publicly that he had not meant to suggest that he had been sacked as Leader of the House because she blamed him for Cabinet leaks.

And Mr. Francis Pym, who took over as Leader of the House and is now in charge of the Government's communications, admitted that he had not originally wanted to relinquish the post of Defence Secretary.

In a BBC interview Mr. Pym said that in his discussions with the Prime Minister he advanced the view that it was not the best time to move him. But he had gone along with the change after Mrs. Thatcher explained her reasons.

At the end of a day of back-peddaling and smoothing of ex-Ministerial feathers, the Govern-

ment appeared to hope that the controversy surrounding Monday's reshuffle had blown over. Mr. St John Stevas described Mrs. Thatcher's letter denying that she held him responsible for the leaks as "generous and truthful."

Nevertheless, he made clear that he believed he still had allies in the Cabinet who shared his differences with Mrs. Thatcher.

Earlier, angered by some Press suggestions that Mrs. Thatcher blamed him for Cabinet leaks, Mr. St John Stevas took the unusual step of publicly demanding an assurance that this was not so.

In a letter, made public later by Downing Street, he said he was "greatly distressed and indeed angered" by the deduction the Press "had not unreasonably drawn" from a television interview with Mrs. Thatcher on Tuesday.

Later, in a BBC radio interview, he said Mrs. Thatcher's remarks had been "ambiguous."

He repeatedly denied that he was responsible for any leaks, or that this was the reason for

his dismissal. He did not deny that he had argued with Mrs. Thatcher in Cabinet. He said he might have been sacked as a "peculiar example" to other Cabinet colleagues with views similar to his own, and "to put the fear of God" into whoever had led Cabinet secrets.

At times he had thought of resigning from the Cabinet, but decided that it was better to remain a member of the team to be able to argue from within.

Mr. St John Stevas' letter brought a quick response from the Prime Minister, who in a same television interview which upset him said she had done the job of reshuffling "quietly and efficiently."

She wrote to him insisting that the Press had unreasonably interpreted her remarks and that nothing she had said was supposed to suggest she held him responsible. She hoped that the letter would reassure him that she was "in no way casting doubt" upon his integrity and loyalty as a member of the Cabinet.

## London SDR market set up

BY PETER MONTAGNON, EUROMARKETS CORRESPONDENT

SEVEN LEADING international banks have joined forces in London to establish a market in Certificates of Deposit dominated in Special Drawing Rights (SDRs), the currency unit used by the International Monetary Fund.

The market will add a new dimension to the range of financial services offered in the City. Certificates of Deposit (CDs), which are short-term negotiable bank deposits that can be sold to third party investors, have been traded in the Eurodollar market since 1966.

Until last summer, when Chemical Bank launched an issue denominated in Special Drawing Rights, no certificates had been offered in the IMF currency unit.

The SDR has historically been a much more stable unit than the dollar which has fluctuated widely in currency markets. An investor in SDRs thus receives considerable protection from the turbulence that has characterised foreign exchange markets in recent years.

This explains the steady growth in straight bank

deposits denominated in SDRs which are now put by bankers at a total of more than the equivalent of \$2.5bn (£1bn).

The introduction of a CD market — all the participating banks are to offer SDR-denominated CDs in both SDRs and European Currency Units (ECUs), the currency unit of the Common Market.

The actual transaction currency for such business is the US dollar, but the certificates are denominated in SDRs and when they mature the investor receives principal and interest in dollars at the going exchange rate for the SDR.

The SDR has historically been a much more stable unit than the dollar which has fluctuated widely in currency markets. An investor in SDRs thus receives considerable protection from the turbulence that has characterised foreign exchange markets in recent years.

This explains the steady growth in straight bank

Background, Page 22

## CONTENTS

Economic viewpoint: where next on monetary control .....	18	Business and the courts: anti-trust division strikes bargain .....	16
ICL: hitting rough water .....	19	Lombard: David Marsh on a British TV triumph .....	16
Karl Otto Poehl: weathered a stormy year .....	2	Editorial comment: energy prices; Turkey .....	18
UK-Indonesia dispute: settlement in the balance .....	4	Molybdenum: steel setback hits demand .....	27
Technology: new bottles from old glass .....	7		

American News .....	4	Euromarkets .....	22	Mining .....	21	TV and Radio .....	16
Appointments .....	5	FT Actuaries .....	21	Money & Exchange .....	25	UK News .....	3
Arts .....	17	Intl. Companies .....	22-24	Overseas News .....	3	General .....	5-6
Business Advertisements .....	27	Jobs Column .....	18	Racing .....	6	Labour .....	6
Companies UK .....	20-21	Leader Page .....	19	Stock Information 30-31	18	Unit Trusts .....	29
Crossword .....	22	Lax .....	19	Stock Markets .....	22	Weather .....	32
Entertainment .....	16	Lombard .....	22	Wall Street .....	26	World Trade News .....	4
European Guide .....	16	London Options .....	21	Bourses .....	7	INTERIM STATEMENT .....	7
European News .....	2	Marketing .....	18	Technical Events .....	18	Hollis Bros. ....	5
Euro. Options .....	25	Men and Motors .....	18				
Financial Times .....	26						
For latest Share Index phone 01-246 3026							

## Davignon is EEC jobs victor

By John Wyley in Brussels

Belgian Viscount Etienne Davignon emerged last night as the major victor in the scramble for jobs by the 14 members of the new European Commission.

## EUROPEAN NEWS

## Costs threaten Norway gas plan

By Fay Gjester in Oslo

PLANS TO build new petrochemical plants in Norway to process some of the country's offshore gas and natural gas liquids are seriously threatened by soaring building costs and gas prices, according to a leading Norwegian industrialist.

Mr Odd Narud, president of Norsk Hydro, Norway's largest industrial concern, said it would not be sensible to build additional Norwegian petrochemical facilities until the existing ones had shown a profit.

A large new petrochemical complex at Røros in east Norway, owned jointly by Hydro, Statoil (the State Oil Company) and Saga (a private enterprise company), has run at a loss since it came on stream three years ago.

If the authorities want to see further petrochemical developments in Norway, they must ensure gas prices and building costs are low enough to make this profitable," Mr. Narud said. He said there was no reason why Statoil gas supplies should not be sold at a special price to encourage development.

Negotiations are presently in progress between the licensees on the Anglo-Norwegian Statfjord field, where gas and natural gas liquids sales will start in 1985-86, and potential buyers of the gas in Norwegian industry.

Mr. Narud's remarks indicate that the sellers are holding out for high prices. He also warned that Norway should not try to do too much at once in the North Sea.

Referring to ambitious plans for extensive field development and large new pipeline systems, he said that if all these schemes were carried out in a short time span, the huge investment involved would create "significant" inflation. Some projects would have to wait, but he would not say which should be given priority.

On building costs, Mr. Narud said Norwegian inflation had accelerated alarmingly since the price and incomes freeze was lifted a year ago.

"We are nearing the situation which existed before the freeze, when high costs made it inadvisable to embark on any major new green field industrial developments," he said.

## Pay talks open in Madrid

By Robert Graham in Madrid

WAGE TALKS opened here yesterday between representatives of the employers' federation and one of the two principal trade unions, the socialist general workers union. For the second year running the most influential trade union, the communist-controlled Federation of Workers' Unions, declined to take part.

Despite the absence of the latter union, the talks are expected to set the norm for wages in 1981. The socialist union announced earlier this week that it would be pressing for a wage increase between 13 and 16 per cent.

This is similar to last year's increase which averaged 15 per cent, but is higher than the Government and the employers would like.

The union is basing its demand on an inflation rate of 15 to 16 per cent to ensure that workers do not have to accept a cut in real earnings.

Government projections suggest that the rate of inflation may be reduced to around 13.5 per cent, but the calculations were made before the latest round of oil price increases agreed at Bali in December. The Government has already set a benchmark for wages in 1981 by fixing public sector increases to 12 per cent with a further 0.5 per cent permitted to cover productivity deals.

The Government hopes that earnings will absorb that part of inflation caused by higher energy costs, thought to be around 1.5 per cent before the Bali meeting.

## Unemployment passes 1m mark in West Germany

BY ROGER BOYES IN BONN

UNEMPLOYMENT IN West Germany broke through the sensitive 1m barrier last month and the number of workers on short time jumped dramatically to more than 250,000, presenting fresh evidence of the weakening of the economy.

The figures announced yesterday represented the worst December jobless toll since 1975. The Federal Labour Office said that the number of unemployed in December reached 1.015 million, an increase of some 150,000, or 1.5 per cent, on November.

The jobless rate in December was 4.8 per cent, against 4.2 per cent in November and 3.8 per cent in

December 1979. Average unemployment for the whole of 1980 was around 888,000, compared to 876,000 in 1979. The average rate for 1980 was 3.8 per cent, unchanged from 1979.

The employment situation in West Germany has been deteriorating since the middle of 1980, reflecting the marked recession in several sectors — such as the motor industry and the generally slower rate of incoming orders to manufacturers.

The deterioration has been particularly marked over the past two months partly because of the early onset of bad winter weather — hitting the ailing building industry, in particular

— and partly because of the surge of young people, mainly school-leavers, entering the job market.

A further aggravation according to Herr Josef Stigl, the head of the Labour Office, has been the tendency of many concerns to resort to redundancies rather than short-time working as soon as order books started to shrink. Even so, the number of short-time workers trebled between November 1980 and December to 357,100. There are now over 600,000 car workers on short time, almost 41,000 in steel and other metal production sectors, over 40,000 in electronic industries and 34,500 in mechanical engineering com-

panies.

The total number of job vacancies, however, has risen by 82,300 since November — a considerable contrast to the trend during the recession years of 1974-75 and some consolation to Bonn's planners who hope that the situation will improve after the winter. There are several structural factors, though, that will buoy up unemployment even beyond 1981. For example, some 100,000 more people will start work this year than reach retirement as the result of the 1960's baby boom.

The news of the radical increase in unemployment comes at a difficult time for the

Government and the central bank (Bundesbank). Yet it may have a marginally beneficial effect on wage bargaining. The employers are apparently locked into the annual wage round with the unions who are demanding 7.8 per cent average wage increases. But the unemployment figures could have the effect of shifting the focus more towards concessions on the job security front than on wage increases, allowing settlements to float down to about 5 per cent.

But, apart from that slight tactical gain, the jobless figures will clearly unleash renewed pressure on the Bundesbank to relax its monetary policy, though there is no immediate sign that it will comply.

The latest industrial production statistics give some encouragement to the Government. These show that November output rose 1.5 per cent against October, which itself saw a small increase on the summer months.

This pick-up, however, will probably be short-lived, given the deterioration in the construction sector, and, in any case, October-November production in manufacturing industry is still 1.5 per cent below the equivalent period last year.

The clue to which combatant should be represented by which Hollywood creation is perhaps best answered by Disney itself. Over the past 18 months, with the looming threat of European Community action against it coinciding with a notorious case in which Community investigators mounted a dawn raid to grab secret documents, IBM Europe has been confounding less and less of its internal communications to paper.

Despite protests from New York that it has never knowingly infringed the Community's competition rules, the U.S. computer giant seems seriously concerned that the case being brought against it by the European Commission's competition authorities could be damaging. At stake is the corporation's continued and unchallenged sway over the European market for larger computers. It now has over 60 per cent of installed computer capacity in Western Europe, and its lead is perhaps best illustrated by recent sales figures for 1979, which put IBM at \$3.5bn in that market. Its closest competitor, France's CII-Honeywell Bull, had a turnover of just \$1.2bn.

## Giant killing

The Brussels authorities' aim in tackling IBM is, according to a senior official in the competitions directorate, to subject the U.S. company to "behavioural controls" — in other words, to prevent it using its dominance in the Community market to squeeze its smaller competitors unfairly. Yet any case against the hugely successful IBM monolith sniffs of politically inspired giant killing, and the still-unresolved U.S. Justice Department anti-trust case launched against IBM 13 years ago shows the giant is no easy victim.

The main difference between the U.S. case and that now being brought by the Community competition authorities is that Brussels is not seeking the eventual dismemberment of IBM in Europe. The Commission is instead seeking to force IBM to desist from those business practices which it has alleged in more than a thousand pages of its "statement of objections" plus annexes, infringed Article 86 of the Rome Treaty. These range from designing memory capacity for its computers in a way that ties the buyer to IBM, and operating in a similar way on software programmes, to ensuring that competitors cannot easily "interface" with IBM equipment and so sell ancillary equipment.

The Commission's case is based on complaints against IBM by three much smaller competitors — Iel, Amdahl Corporation and Memorex. It is still unclear whether or not West Germany's Siemens is one of the few European concerns which offer equipment which is "plug compatible" with IBM designs, has also formally objected. What does seem plain, however, is that while the Community's investigation into IBM began in July 1974, the formal complaints being brought against it follow the early 1979 introduction of IBM's 4300 Series, which offered dramatic advances in performance at lower cost. That wrought havoc among its chief competitors.

## Market share

A further point IBM is certain to make much of is that although the market share figures always portray IBM as a mighty bully in the computer marketplace, the reality is that smaller competitors concentrate on producing equipment which feeds off the basic computers and skims the cream of profitability.

The next step is for IBM to attempt to rebut the case in oral hearings in Brussels before the Commission. On past form it will no doubt deploy an army of lawyers to do so. Unlike the U.S. anti-trust case, judgment in the first instance lies with the 14 members of the European Commission in Brussels. By executive and majority decision they can impose sweeping fines on IBM, levy daily cash penalties, and impose changes in business practice.

IBM would only then have the right to appeal to the European Court of Justice in Luxembourg and would certainly have little interest in legal delaying tactics if it was already smarting under Brussels' penalties.

FINANCIAL TIMES, published daily except Sunday and holidays. U.S. subscription rates \$365.00 per annum. Second class postage paid at New York, N.Y., and at additional mailing centres.

Stewart Fleming in Frankfurt assesses the Central Bank president's turbulent first 12 months in office

## Poehl weathers a stormy year at the Bundesbank

### HOW THE BANK WORKS

Since the Bundesbank was set up after the 1948 monetary reform, the bank and its presidents, who are appointed for an initial eight-year term, have built an enviable reputation as one of the most effective and independent leading central banks. Like other central banks, it is charged with managing the monetary side of the economy, interest rates and liquidity in the financial system, for example.

Control of the Bundesbank resides in the Bundesbank council, made up of the presidents of the 11 provincial central banks, and the members of the Bundesbank's executive board of governors. This structure gives Herr Karl Otto Poehl, right, the president, considerable influence. The Government is not directly represented, although it has the right to send an observer to council meetings.

deputy, Dr. Helmut Schlesinger, have been doing in educating the public about the burdens a DM 30bn current account deficit and a weak Mark can put on the domestic economy and the danger of the problems accumulating has been much needed.

This is not to say that Herr Poehl's high profile has gone uncriticised. Some Frankfurt bankers complain privately that so much public emphasis on the problems of the West German economy runs the risk

of adding to international pressures on the Mark. The Bundesbank is well aware of the danger, and the problems of talking to both a domestic and an international audience. Thus it has shunned dramatic gestures of support for the Mark, fearing they could make things worse. There was, for example, no heavy-handed intervention last month when the Mark temporarily went through the psychologically important barrier DM 2 to the dollar.

The Bundesbank's high interest rate regime (by West German standards) which has contributed to hefty securities losses by the banks, and recent measures to control foreign Mark lending out of West Germany have also proved controversial. But some senior bankers also say they are conscious of a less doctrinaire hand at the helm of the Bundesbank and a willingness to adopt a more flexible approach to policy issues. As evidence, they

hope that by the spring, U.S. interest rates will have fallen further, to the benefit of the Mark, but even Mr. Donald Regan, the U.S. Treasury Secretary designate, is warning against too much optimism, and certainly a repeat of the May 1979 decline in U.S. rates is hard to imagine.

West Germany's current account deficit may well prove more stubborn than some have been anticipating. Morgan Guaranty in New York has recently projected a worsening deficit this year, not the improvement West German economists have forecast. Moreover, there is an increasing need for the deficit to be reduced through the markets not by running down foreign exchange reserves. This all points to the probability that interest rates may have to be kept higher than warranted by a weakening domestic economy, with over 1m unemployed already. Herr Poehl's abilities as a communicator and politician will be needed again in 1981.

## Genscher presses for firm line on missiles

BY OUR BONN STAFF

WEST GERMANY should make clear that it will adhere faithfully to NATO's decision to install new theatre nuclear weapons in Europe, thus dispelling any lingering U.S. doubts that it wants to opt out.

This view was voiced strongly yesterday by Herr Hans Dietrich Genscher, the Foreign Minister, during a Cabinet meeting.

The past year has been a testing time for the Bundesbank president, but it is already clear that some of the unusual (in central banking terms) experience he has brought to

party should be aware that calling the NATO plan into question could damage U.S.-West German relations at the outset of Mr. Ronald Reagan's Presidency.

The NATO decision provides for two parallel developments — the stationing of 572 Cruise and Pershing II missiles in Europe and aimed at the Soviet Union, and the start of arms control talks if SALT II is abandoned by the new U.S. Administration.

There is additional scepticism

that such nuclear weapons can be effective as "bargaining chips" with the Soviet Union on their soil.

The discontent was voiced this week by Herr Karsten Voigt, a foreign policy spokesman on the left of the party, who stressed that Bonn should think again about installing such weapons.

The stage thus seems set for a confrontation between the party's left wing and Chancellor Helmut Schmidt's government.

## Kreisky will step down

By Paul Lendvai in Vienna

THE AUSTRIAN Chancellor, Dr. Bruno Kreisky, affirmed yesterday his intention to step down before the next general election due in 1983.

Dr. Kreisky who is 70 this month, also said that, as leader of the Socialist party, he would make a personal recommendation to the party's executive committee concerning the choice of his successor.

He refused to mention names but made clear that Dr. Hannes Androsch, the Vice Chancellor and Finance Minister who is to resign next week, is not among them.

Several senior party and union officials have already hinted that they will ask Dr. Kreisky, who has won four successive elections to lead the party. It is widely assumed that, as a result of factional fighting and corruption scandals, only the Chancellor's enormous popularity can preserve his party's dominant position in Parliament.

## Paris questions Elf's oil deal with Libya

BY DAVID WHITE IN PARIS

THE QUANDARY in which France has been placed by Libya's move into the former French colony of Chad was highlighted yesterday when the Government called into question an oil exploration agreement just signed between Libya and the State-controlled oil company, Elf-Aquitaine.

M. Andre Giraud, the French Industry Minister, said the Government had not yet approved the agreement, which would give the company drilling rights in five areas totalling 15,000 sq kms, including one

offshore concession. The deal coincided with Libya's announcement of a planned "merger" with Chad. The merger itself is treated in Paris with some scepticism, in view of Tripoli's previous ill-fated attempts to merge with neighbouring countries.

But it is seen as confirming Libya's territorial ambitions after its military success in the Chad civil war, where its troops and Soviet-built armour clinched victory for President Goukouni Oueddei just over

three weeks ago. It is not the first time that the Industry Ministry has clashed publicly with the Elf chairman, M. Chalandon, whose company already receives 200,000 tonnes of oil a year from its production facilities in Libya, was ousted last July from the post he held concurrently as the head of ERAF.

AP-DJ adds: Elf-Aquitaine is to process Nigerian crude oil into petrol and ship it back to Nigeria under the terms of an agreement signed with the national Nigerian oil company.

A FIRE which broke out on Tuesday in a silo containing nuclear waste at the La Hague nuclear reprocessing plant near Cherbourg was finally brought under control yesterday. Its cause remains unknown.

The fire was discovered during a routine inspection tour in a concrete chamber where

tubes of irradiated graphite and magnesium were stacked. Combustion of this nuclear waste released chemical fumes into the atmosphere, which were detected by instruments.

Buildings in the path of the poisonous fumes were immediately evacuated, but the management of the plant said yesterday that radioactivity did not exceed one-fifth of the maximum safe dose. All those evacuated resumed work yesterday and the provincial authorities said there was no safety risk.

To extinguish the fire, technicians drew on the nuclear waste in liquid nitrogen as the use of water on hot magnesium could have produced an explosion. A TV camera will be introduced into the chamber to establish the damage and if possible, the origins of the fire.

The incident is the third at the plant in the past 12 months. In January last year, cracks were discovered in a pipeline carrying radioactive materials out to sea; while in April a fire in an electrical installation closed the plant.

introduced into the chamber to establish the damage and if possible, the origins of the fire. The incident is the third at the plant in the past 12 months. In January last year, cracks were discovered in a pipeline carrying radioactive materials out to sea; while in April a fire in an electrical installation closed the plant.

before the Marxist coup in 1978. Referring to the festering plague, she said: "That could have spread to us". She denied that she had meant to suggest the Soviet invasion of Afghanistan had been an attempt to control a plague of rebellion, but this was the implication.

At almost the same time, two Kirzog ideological officials were dismissed. They were Mr. Talgarib Sarhanov, head of the propaganda department of the Kirzog Communist party, and Mr. Dzhumagul Nasipova, head of the party cultural department.

The question of a ban on hormones will be discussed by EEC Farm Ministers in February. But significant differences of opinion have already emerged to suggest that the Community will not be rushing towards such a restriction.

The main outcry against hormones use has occurred in countries where there is widespread evasion of legal prohibitions. In fact, only the UK, Ireland, and West Germany allow the use of some low-activity hormones to promote growth.

This can add about 280 a head to the value of beef cattle in the UK where the Government is anxious to retain the use of hormones in strictly controlled circumstances.

## Moscow concerned about tension in Moslem region

BY DAVID SATTER IN MOSCOW



CONCERN IS growing in Moscow over the situation in the Soviet Moslem Republic of Kirgizia, where the Prime Minister was murdered last month in an apparently political killing. The Supreme Soviet this week placed law and order there at the top of its agenda.

According to a report in the Communist Party newspaper Pravda yesterday, Tuesday's meeting, chaired by Mr. Vasily Kuznetsov, the Soviet First Vice-President, discussed ways of "

## OVERSEAS NEWS

# Peres calls off trip as coalition faces collapse

BY DAVID LENNON IN TEL AVIV



Mr. Shimon Peres

**THE BELEAGUERED** Government of Mr. Menahem Begin, which faces resignation threats by two Ministers and scandals involving two others, has only a 50-50 chance of surviving its full term to November, according to Prof. Yigael Yadin, the Deputy Prime Minister.

The possibility that the Government may fall next week has led Mr. Shimon Peres, the leader of the Opposition Labour Party, to cancel planned trip to the U.S. He has been having talks with leading political figures about tabling a Bill next week calling for a dissolution of the Knesset.

The latest crisis facing the Government is ostensibly over teachers' pay, but in fact is a crucial test of the Government's willingness to back demands of Mr. Yigael Hurvitz, the Finance Minister, for a deflationary budget.

Mr. Zevulun Hammer, the Education Minister, is demanding the Government implement a recommendation granting the teachers a 30 to 60 per cent pay rise. Mr. Hurvitz claims this would lead to a flood of other wage demands which would destroy his efforts to stem the country's rampant inflation.

Both ministers have threatened to resign if they do not get their way, and two meetings with Mr. Begin this week have failed to produce a compromise. This issue will now have to be resolved at Sunday's Cabinet.

## Seating dispute mars Namibia conference

BY MICHAEL HOLMAN IN GENEVA

**DR. KURT WALDHEIM**, the United Nations Secretary-General, yesterday opened the conference on Namibia as a behind-the-scenes dispute threatened to disrupt efforts to win all-party agreement to the implementation of the UN settlement plan for the territory.

Although the opening session which was devoted to Dr. Waldheim's address, went ahead as planned, a closed session scheduled for the afternoon was postponed. This followed objections raised by both the South African Government and the leading internal Namibian party, the Democratic Turnhalle Alliance, to the status accorded them by the UN.

Pretoria would like to see itself as present in an observer capacity, with the Alliance which controls the country's national assembly—accorded equal billing with the guerrilla-backed South West African People's Organisation (SWAPO). But Dr. Waldheim pointedly referred to two delegations "led by the South African Administrator-General (of Namibia)." Mr. Danie Hough, and by Mr. Sam Nujoma, president of SWAPO.

Although Dr. Brand Fourie, Director-General of Foreign Affairs, and senior Pretoria official took a back seat in a line-up which left Mr. Dirk Mudge, the Alliance leader, in front almost facing Mr. Nujoma, South African officials and delegates from Namibia's internal parties were assembled in a single block.

Sitting in the conference chamber of the Palais des Nations, Dr. Waldheim and other UN officials were ranged along the top of the square, facing observers from the five Western members of the Security Council and African front-line states.

UNTA officials, anxious to present themselves both to the outside world and the electorate in Namibia as a legitimate authority in their own right, made no secret of their resentment at this treatment and expect Pretoria to take up the cudgels on their behalf.

In an effort to resolve the dispute, Dr. Waldheim met Mr. Fourie, Mr. Hough, and Mr. Mudge. The Secretary-General had earlier expressed the hope that a closed session would begin this afternoon. No meeting had taken place by early evening, and it was clear that the unresolved status of the unresolved status about withdrawal of Soviet troops.

## Zimbabwe arms haul flown to S. Africa

**SOUTH AFRICAN** police denied any knowledge yesterday of the theft of military weapons worth £164,000 in Zimbabwe and their alleged smuggling into South Africa, AP reports from Johannesburg.

The weapons were stolen over Christmas from Cranbourne Barracks outside Salisbury by five white men. They were taken to a remote airstrip and flown to South Africa, Zimbabwe army reports said.

Police in Pretoria said they had no knowledge of anyone entering South Africa with stolen arms. "We have not been informed of any such entry," said Gen. Kobus Visser, Chief of the Criminal Investigation Department. "If the Zimbabwe Government informs us on an official level and asks us for assistance, then we will assist them."

The haul included 100 Belgian-designed FN semi-automatic assault rifles, 20 medium machine guns, 130 pistols, a number of Soviet-made weapons used during Zimbabwe's independence war, some explosives and about a million rounds of ammunition.

## Kenya bomb suspect named

**KENYA** police have identified the man who occupied a room in the Norfolk Hotel where a bomb blast killed 15 people on New Year's Eve, John Wairall reports from Nairobi.

If Mr. Hurvitz or Mr. Hammer were to resign, they could take other members out of the coalition and bring down the Government. Mr. Begin has pleaded with both men to avoid this step as there is little likelihood of his Likud bloc being re-elected.

Both ministers have threatened to resign if they do not get their way, and two meetings with Mr. Begin this week have failed to produce a compromise. This issue will now have to be resolved at Sunday's Cabinet.

## Islamabad edges closer to Kabul

**AFGHANISTAN** and Pakistan appear to be edging towards their first meeting since Soviet troops installed Mullah Babrak Karmal as President in Kabul, our Foreign Staff write.

Last weekend Mr. Agha Shahi, the Pakistani Foreign Minister, wrote to Dr. Kurt Waldheim, the United Nations Secretary-General, asking him to appoint a special representative "in order to promote a dialogue between the representatives of Pakistan and Iran and the People's Democratic Party (of Afghanistan), with a view to bringing about a political resolution of the crisis."

The move followed a series of meetings between Pakistani and Soviet officials. Previously Pakistan had refused to recognise the Karmal regime and Kabul had been insisting on recognition before any talks about withdrawal of Soviet troops.

## It's only our prices which are not 5-star!

Hotel	Single Room	Double Room
Royal Garden Hotel	39.50	48.00
Carlton Tower Hotel	55.00	82.00
Churchill Hotel	63.48	79.35
Dorchester Hotel	60.00	78.00
Hilton Hotel	56.00	75.00
Inn on the Park Hotel	74.75	87.40
Intercontinental Hotel	64.40	74.75
Park Tower Hotel	63.25	71.50

These hotels are among the best in London. Each one of them offers the traditional services expected of a five-star hotel—but compare the prices! It costs far less for the same amenities at the Royal Garden Hotel. A choice of International cuisine from the Garden Café, the Bulldog Chophouse or the Royal Roof Restaurant; an extensive range of conference and banqueting facilities used by world wide companies; and a unique location overlooking Kensington Gardens and Kensington High Street, famous for its stores and boutiques. And, of course, five-star services—newspaper delivery, portage, shoe cleaning, car parking and full 24 hour room service.

## Royal Garden Hotel

Kensington High Street, London W8

Tel: 01-937 8000 Telex: 263151

Please quote above price inclusive service and VAT and are correct at time of going to press.

# Iraqi prisoners of war on show in Tehran

BY TERRY POVEY IN TEHRAN

## Algeria's new hostage proposals

**IRAN YESTERDAY** put on show several hundred Iraqi troops captured in the offensive it started on Monday. A band played martial music as the \$20 prisoners of war, many still dazed, were greeted by a crowd of 5,000 Iranians chanting slogans against President Saddam Hussein of Iraq. They were addressed at the Tehran railway terminal by Ayatollah Mohammad Baqer Hakim, exiled leader of militant Shi'ite clergy in Iraq.

The weapons were stolen over Christmas from Cranbourne Barracks outside Salisbury by five white men. They were taken to a remote airstrip and flown to South Africa, Zimbabwe army reports said.

As they disembarked from the train, many still had their hands bound. Officials said the group had been taken by surprise by the attacking Iranian forces, and had surrendered with a minimum of resistance.

Only a few of the prisoners knew of any signs of injury.

Ayatollah Baqer told them: "I know you were forced to fight

entrust their commitments to the Algerian Government. Iran had agreed to this in principle.

The Algerian Government had "tried to take into account the positions of both sides," Mr. Nahavi said.

According to Mr. Nahavi, Iran has not asked the U.S. for any further clarifications about these latest proposals. But it is thought that the Algerian delegation may well

have done so. Certainly a trip to Washington in the next few days by the Algerian delegation cannot be ruled out and would not imply that serious problems had arisen.

Observers in Tehran see Mr. Nahavi's statement as indicating that progress continues to be made even if very slowly.

But officials agreed that the January 20 deadline is still very much in the minds of Iran's negotiators.

One of the Iraqi militants said that the soldiers were only a few of the haul of prisoners taken in the recent fighting. "There are 3,000 more in Khuzestan," he said. The official State news agency claims that over 1,000 Iraqi troops have died in the offensive so far.

Iran yesterday claimed to have cleared Iraqi troops from the areas around the city of Ahwaz and the towns of Hamidiyeh and Susangerd in Khuzestan and to have mounted a combined air and ground attack to retake the border town of Qasr-e-shirin further to the north. An Iraqi artillery attack on Deail, in which 17 civilians were killed, was also reported yesterday.

A Tehran newspaper carried photographs of a rocket attack by six Phantoms on Iraqi ground positions within Iran, although no specific location was given.

## Suzuki to stress economic ties on tour

BY CHARLES SMITH, FAR EAST EDITOR IN TOKYO

**MR. ZENKO SUZUKI**, Japan's Prime Minister, will emphasise economic co-operation rather than defence issues on his 12-day tour of South East Asia which starts today.

The tour, taking in the five member countries of the Association of South East Nations (Indonesia, Malaysia, The Philippines, Thailand and Singapore), is the first by a Japanese Head of Government since Mr. Takao Fukuda visited the region in 1977.

It is Mr. Suzuki's first tour since he became Prime Minister last summer, and it will be an important test of his ability as an international statesman.

Japanese leaders normally visit Washington soon after taking office, but the timing of the U.S. presidential elections has prevented Mr. Suzuki from following this tradition.

When Mr. Fukuda toured ASEAN in 1977, he announced

his own doctrine which stressed Japan's determination not to re-arm and its wish to build a "heart-to-heart" relationship than defence issues on his 12-day tour of South East Asia which starts today.

The tour, taking in the five member countries of the Association of South East Nations (Indonesia, Malaysia, The Philippines, Thailand and Singapore), is the first by a Japanese Head of Government since Mr. Takao Fukuda visited the region in 1977.

It is Mr. Suzuki's first tour since he became Prime Minister last summer, and it will be an important test of his ability as an international statesman.

Japanese leaders normally visit Washington soon after taking office, but the timing of the U.S. presidential elections has prevented Mr. Suzuki from following this tradition.

When Mr. Fukuda toured ASEAN in 1977, he announced

large part of the remainder reflecting the region's importance as a supplier of timber and natural rubber.

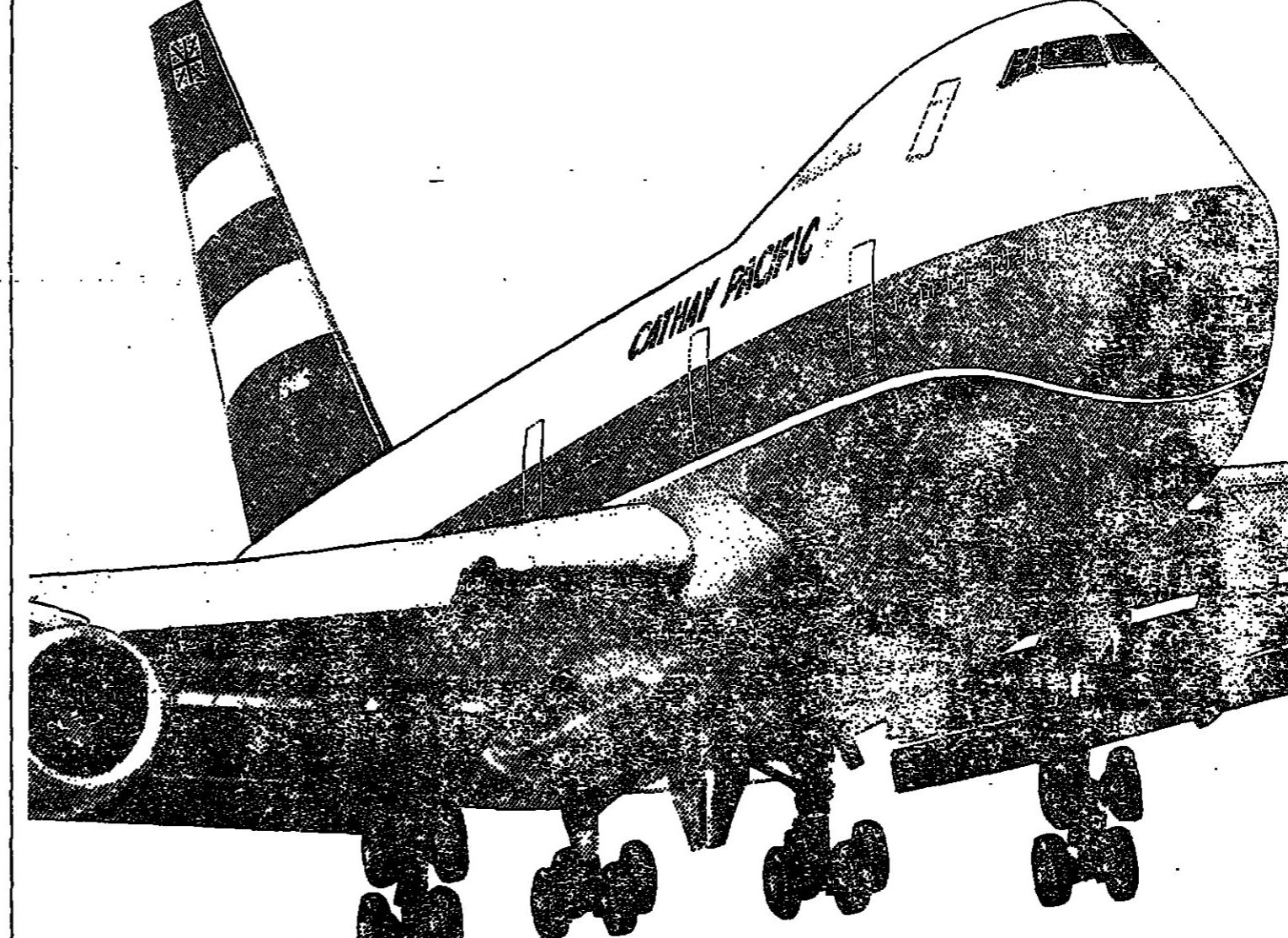
ASEAN member countries claim to have been disappointed by the failure of Japan to stop up its imports of manufactured products from the region, although Japan claims it has been increasing its purchases of ASEAN manufactures faster than those of similar goods from other developing countries.

Thailand, which has a substantial bilateral trade deficit with Japan, is particularly concerned about the problem of access to Japanese markets.

Mr. Suzuki will be accompanied during his trip by Mr. Massayoshi Ito, the Foreign Minister, and Mr. Komeika, the Minister of Agriculture. His trip is extremely unlikely to run into the kind of trouble experienced by Mr. Tanaka, the former Prime Minister, who was greeted by anti-Japanese riots in Bangkok and Jakarta during a tour of the region in 1974. Despite this, it will be an important test of Japan's ability to build a harmonious relationship with its neighbours.

Mr. Suzuki . . . first visit

anti-Japanese riots in Bangkok and Jakarta during a tour of the region in 1974. Despite this, it will be an important test of Japan's ability to build a harmonious relationship with its neighbours.



# Cathay Pacific the new way to fly to the Gulf.

Now there's an even better  
choice of service to the Middle East.  
You can fly Cathay Pacific.

Our new Bahrain service\* leaves  
London-Gatwick every Monday,  
Tuesday, Thursday, Friday and Saturday,  
at the convenient time of 11.00 a.m. so

that you get there in time for dinner. And  
on the way you can enjoy our famous  
in-flight service aboard one of our  
latest Rolls-Royce powered 747s.

Your Travel Agent has all  
the details, or you can phone  
us on 01-930 9231.

HONG KONG'S AIRLINE  
THE NEW WAY TO FLY TO THE GULF

\*From January 9.

BRAHMIN · BANGKOK · BRUNEI · DUBAI · FUKUOKA · HONG KONG · JAKARTA · KOTA KINABALU · KUALA LUMPUR · LONDON · MANILA · MELBOURNE · OSAKA · PENANG · PERTH · PORT MORESBY · SEOUL · SINGAPORE · SYDNEY · TAIPEI · TOKYO

The Swire Group

CATHAY PACIFIC

## AMERICAN NEWS

# Chrysler's hopes fade of drawing \$700m more aid

BY IAN HARGREAVES IN NEW YORK

CHRYSLER, the troubled U.S. car maker, is now unlikely to get more than \$400m (£186m) in aid from the current Administration, following another five hours of meetings by the Chrysler Loan Guarantees Board on Tuesday night, which failed to reach definite conclusions.

Mr. William Miller, Treasury Secretary, and the key political member of the board, left the meeting voicing optimism that some form of conditional approval for Chrysler to draw a further \$400m of the \$1.5bn in loan guarantees authorised

by Congress would be reached before January 30.

That is the date when Mr. Ronald Reagan takes office as President and when Mr. Donald Regan, the former head of Merrill Lynch, will replace Mr. Miller as Treasury Secretary.

It appears certain, however, that a bid by Mr. Douglas Fraser, president of the United Auto Workers Union, and a Chrysler director, for release of \$700m in loan guarantees has been ruled out by the guarantees board. Such a drawing would exhaust the entire \$1.5bn voted by Congress.

The main questions to be dealt with in the next 10 days are, first, whether Chrysler can arrange the additional matching funds it needs from its lenders, suppliers and in concessions from its workforce, to justify release of \$400m under the terms of the Act granting loan guarantees.

The second question is whether the incoming Administration will give Mr. Miller and the board the backstage nod it needs that the Reagan team will not reverse the policy of aid for Chrysler upon entering office.

The answer to the first question is a guarded "yes," but the willingness of Chrysler's long-suffering creditors and suppliers to extend their aid to the company depends to some extent upon confidence that Chrysler will continue to get political backing.

The political question remains a matter for unguided speculation, although some significance is being attached to remarks in a television interview by Mr. Martin Anderson, Mr. Reagan's chief domestic policy adviser.

Mr. Anderson said the question of releasing the \$1.5bn voted by Congress was a "question of those guarantees being drawn down with the approval of the board, basically with the

caveat that the corporation remains a viable enterprise.

That, however, is a large caveat. Some of Mr. Reagan's advisers are known to hold the view that it would be better to cut off aid to Chrysler on those grounds rather than pay out \$400m in the near certain knowledge that before long the company would be back for more.

Mr. Donald Regan has so far avoided any commitment on the matter, although he did say on Tuesday that the Reagan Administration would be examining the Chrysler issue as soon as it came into office.

If \$400m were advanced by the outgoing Administration, the Reagan team would at least have a few weeks to think about a longer term response. Without the \$400m Chrysler says it will run out of cash very soon.

## Salvador troops continue 'clean up'

By WILLIAM CHISLETT  
in Mexico City

TROOPS in El Salvador yesterday continued a "clean-up" operation against a guerrilla column in mountains only 15 miles from the capital, San Salvador.

The guerrilla offensive against the civilian military junta is now the closest to the capital in 14 months of fighting between Left and Right. The Left's plan is apparently to increase tension in the country by the time Mr. Ronald Reagan takes office as U.S. President on January 20.

The Republican Administration may take a harder line on El Salvador and the Left is anxious to gain greater political and military control in order to strengthen its position against the U.S., which backs the ruling junta.

Mr. Williams was particularly concerned about the huge growth in securities trading volume which, he said, threatened a repeat of the backroom confusion of the early 1970s. This almost brought Wall Street to a standstill and killed some of the less robust securities firms.

Mr. Williams believes the day is not far off when 100m shares a day will be traded on U.S. exchanges. At present between 30m and 40m shares are traded on an average day.

Mr. Williams' main concern is to complete his term, which expires in June next year, so as to finish his programme of reforms. He also acknowledged that a new President usually prefers to have his own men in the job.

Mr. Williams, 53, was Dean of the University of California Business School in Los Angeles when he was appointed to the commission in 1977. Before that he was chairman of Norton Simon, the industrial group.

He set himself two broad goals when he came into office, but has only made partial progress towards them.

One was to hasten the creation of a nationwide share trading market, mandated by Congress in 1975. This would give all investors equal access to a fair trade, though it would even-

## Securities commission chief to go

BY DAVID LASCELLES IN NEW YORK



Harold Williams: making room for new man

MR. Harold Williams, chairman of the Securities and Exchange Commission, is to resign on March 1 to clear the way for a new appointee by President-elect Ronald Reagan.

Although Mr. Williams indicated a number of times in recent weeks that he would like to complete his term, which expires in June next year, so as to finish his programme of reforms, he also acknowledged that a new President usually prefers to have his own men in the job.

Mr. Williams, 53, was Dean of the University of California Business School in Los Angeles when he was appointed to the commission in 1977. Before that he was chairman of Norton Simon, the industrial group.

He set himself two broad goals when he came into office, but has only made partial progress towards them.

One was to hasten the creation of a nationwide share trading market, mandated by Congress in 1975. This would give all investors equal access to a fair trade, though it would even-

ually have broken down localised market places, notably the New York Stock Exchange. Some steps have been taken in this direction, mainly in setting up the necessary electronic equipment and organising brokerage houses to cope. But the reality of a nationwide

system still seems a long way off.

Defending his record, Mr. Williams recently compared the development of such a system to changing the wheels on a fast-moving train.

He also sought to bring more uniformity and openness to corporate accounting. He has simplified procedures and encouraged the broader use of inflation accounting.

He negotiated with foreign regulators to establish reporting standards for the growing number of non-U.S. corporations now buying or investing in the U.S.

Mr. Williams was particularly concerned about the huge growth in securities trading volume which, he said, threatened a repeat of the backroom confusion of the early 1970s. This almost brought Wall Street to a standstill and killed some of the less robust securities firms.

Mr. Williams believes the day is not far off when 100m shares a day will be traded on U.S. exchanges. At present between 30m and 40m shares are traded on an average day.

## Reagan names education head

BY JUREK MARTIN, U.S. EDITOR IN WASHINGTON

PRESIDENT-elect Ronald Reagan yesterday nominated Mr. Terrel Bell, Education Commissioner of Utah, to be Secretary of Education, thus filling the last of the departmental Cabinet posts.

Mr. Bell, 58, previously served as U.S. Commissioner for Education in the old Department of Health, Education and Welfare from 1974 to 1976.

Ironically, he was an advocate of the creation of a separate Department of Education. This was accomplished under President Carter, but Mr. Reagan promised in his election campaign that he would abolish it.

However, as is also the case with the Department of Energy, another Carter creation, Mr. Reagan's advisers now seem to be leaning against such radical surgery. It is possible that the Education Department may lose its Cabinet status, but it is likely to continue as an independent entity.

## Advertising watchdog bites

BY OUR NEW YORK STAFF

THE FEDERAL Trade Commission, in its role of watchdog over advertising, has taken to task two U.S. companies for allegedly making extravagant claims.

One of them, the Water Pik, made by Teledyne in California, which is a water-squirting tooth cleaner, had claimed that four out of five doctors recommended its use.

The FTC found that the sur-

vey that provided this information was not conducted reliably. The commission also accused Water Pik of claiming that it was endorsed by the American Dental Association when the endorsement had been withdrawn.

Under a tentative settlement in which the company does not directly admit any wrongdoing, Teledyne will have to produce reliable scientific tests to back up any future claims it makes.

The commission also accused Standard Brands, a large consumer goods company, of claiming that doctors overwhelmingly recommended its Fleischmann margarine when surveys showed that only 15.5 per cent of them did. Like Teledyne, Standard Brands agreed to back up future claims more scientifically, but did not admit wrongdoing.

The plant will be built in three stages, each of 2m tonnes, and the whole project is expected to be in operation by 1990. Work on the first stage could start at the end of this year.

Expansion work is now going

on any future claims it makes. The commission also accused Standard Brands, a large consumer goods company, of claiming that doctors overwhelmingly recommended its Fleischmann margarine when surveys showed that only 15.5 per cent of them did. Like Teledyne, Standard Brands agreed to back up future claims more scientifically, but did not admit wrongdoing.

The plant will be built in three stages, each of 2m tonnes, and the whole project is expected to be in operation by 1990. Work on the first stage could start at the end of this year.

Expansion work is now going

## WORLD TRADE NEWS

# France, Australia in nuclear accord

BY TERRY DODSWORTH IN PARIS

FRANCE and Australia settled their differences over the use of Australian uranium yesterday, when they signed an agreement allowing the French nuclear energy authorities to use plutonium produced from reactors of Australian origin.

The deal between the two comes only about a month after the Australian Government announced the conditions under which it was prepared to accept reprocessing of spent uranium derived from Australian raw material.

The guidelines included guarantees that the repro-

cessed fuel would be used only for peaceful purposes. They laid down strict conditions for storage of the plutonium, and insisted on agreement in advance on the specific energy use of the fuel.

Concern over the possibilities of nuclear proliferation also led the Australians to demand the right to consultations and review of the way in which the agreements were operating.

While the French concern to keep firm control over its domestic nuclear programme has led to hard bargaining between the two countries.

signature of the accord has followed much more swiftly after the Australian Government's announcement than expected.

The central element of the deal is the agreement to use the International Atomic Energy Agency based in Vienna, to keep French plutonium use under surveillance.

At the same time, the agency will perform a similar function in inspecting the application of French nuclear energy technology in Australia.

Plans for the construction of a French-designed

uranium enrichment plant in Australia are said to have been put up recently to the authorities, although no firm announcement has been made.

The impact of Australian uranium, reckoned to account for about 20 per cent of world reserves, forms an important part of France's policy of diversifying its energy sources. Although France has big uranium reserves, the aim is to conserve these as much as possible for strategic purposes while buying supplies from a number of overseas countries.

## UK group gets £20m contract

By Our World Trade Staff

PARSONS and Whittemore Lyddon, of Croydon, has won a £20m contract for the supply of equipment and services for a pulp mill to be built in Portugal for Sociedade Portuguesa de Celulose (SOPORCEL) of Lisbon.

The company will be responsible for process optimisation, engineering and supply of extra water and effluent treatment, wood-room and chip-preparation and other equipment, all of which will come from Britain.

The mill, expected to be completed by 1984, will be capable of producing 250,000 tonnes of bleached kraft pulp a year for both domestic use and export.

A £17.5m loan to finance 85 per cent of the contract value has been arranged by Bill Samuel in conjunction with Williams and Glyn's Bank. It has been backed by the Export Credit Guarantee Department.

## GEC wins £7.5m order from Abu Dhabi

GEC GAS Turbines has received an order worth £7.5m for three gas turbine units to generate electricity at a rate of 100,000 tonnes a year and a 130,000-tonne a year plant for low-density polyethylene.

SABIC-Dow would be entitled to half the output of the ethylene glycol plant.

A trade mission supported by the British Overseas Trade Board, of nine Scottish and one English company will visit the Persian Gulf at the end of the month. Sponsored by the Scottish Council, the mission is going to Dubai and Abu Dhabi in the United Arab Emirates, as well as Oman and Qatar.

Floodlights for football grounds, gaskets, surface coating and security fences are among the products the mission will be promoting. Commercial staff at the British embassies in all four countries are helping to organise the mission programme.

## Turkey seeks boost for industry

BY METIN MUNIR IN ANKARA

TURKEY will spend 75 per cent of the \$9bn (£3.5bn) targeted for imports this year on semi-processed goods and raw materials. About 22 per cent will be spent on investment goods and the remaining 3 per cent on consumer goods.

Behind the setting of these targets is the hope that if imports can be kept at this level, capacity utilisation in industry will improve. This in turn should lead to an increase in manufactured exports and stability in domestic prices.

Government officials disclosed these plans yesterday in the aftermath of the decision to invite 16 international banks

to consider the restructuring of \$3.2bn worth of commercial loans.

But the low priority afforded to consumer goods imports is an indication of the austerity imposed on Turkey because of its economic crisis, now four years old.

The level of imports, however, will be 30 per cent higher than in 1980, while exports are expected to realise \$3.5bn. This will leave a foreign trade deficit of \$5.5bn compared with \$4.2bn last year.

Government officials disclosed these plans yesterday in the aftermath of the decision to invite 16 international banks

to be the remittances of foreign workers, which are expected to reach \$2.4bn in 1981. Tourism is expected to net \$250m.

But the Government is planning to raise new credits of \$2.4bn this year to finance the balance-of-payments deficit, officials said. This will be broken down into \$2.5bn in programme credits and \$300m in project credits.

A new aid package for Turkey is expected to be considered at a meeting of the Organisation for Economic Co-operation and Development in Paris during March.

In addition, Turkey will receive \$400m from the International Monetary Fund with which it has a stand-by arrangement.

Richard Cowper, in Jakarta, reports on a six-month-old dispute

## Peace hopes in textile quotas battle

THERE ARE signs that what has amounted to a virtual trade war between Britain and Indonesia over textile quotas may be settled amicably at the negotiating table, though there is still a possibility that talks between Mr. John Nott, Britain's newly-appointed trade minister, and Mr. Radius Prawiro, Indonesian Trade Minister, in Jakarta yesterday may collapse with both sides unable to agree on how many garments Indonesia should be allowed to export to Britain this year.

The six-month-old dispute, which has undoubtedly soured both political and economic relations between the two countries over the last six months, represents more than simply a unique misunderstanding between two nations on a trade matter.

It illustrates, on the one hand, the growing problems that some developed countries are having in running down old and economically inefficient industries and, on the other, the frustrations and anxieties of an expanding third world country which wants to break into new industrial markets.

Textiles, perhaps more than any other industry, has been at the forefront of this conflict between what is euphemistically called the North and South. Britain and France and, to a lesser extent the U.S., have all come under enormous pressure from their own domestic textile lobbies to protect what for the most part are no longer economically efficient industries.

The facts are that, the top fashion end of the market apart, textiles like South Korea, Hong Kong and China and India

can produce the same products at much lower cost.

Those countries like Indonesia which are crucial to the developed world in the sense of being major suppliers of raw materials find it difficult to accept—after following the advice of organisations like the IMF and the World Bank to industrialise in order to provide employment for their populations.

of this failure are considerable. In the meantime, it is difficult to resist the arguments for softening the blows by resorting to at least a measure of protectionism.

These differing perspectives were expounded yesterday in speeches by Mr. Nott and Mr. Prawiro at an informal luncheon.

Mr. Nott said that the "Indonesian case" was a

case with countries all over the world.

For his part, Mr. Prawiro expanded on the standard of protectionism, using arguments that Mr. Nott, himself a free-trader, must have found difficult to disagree with.

The dispute was caused, in part at least, by insensitivity on both sides and an almost complete failure of Indonesia to understand the British point of view and vice versa. Ironically, it occurred not long after President Suharto's first State visit to Britain at the end of last year, a visit which encouraged both sides to believe that the coming years would see a considerable increase in trade and investment between the two.

In the first 11 months of 1980, Britain exported only £100m worth of goods to Indonesia while Indonesian exports were valued at £200m.

# BNOC's Halibut Group discovers new oil field

By RAY DAFTER, ENERGY EDITOR

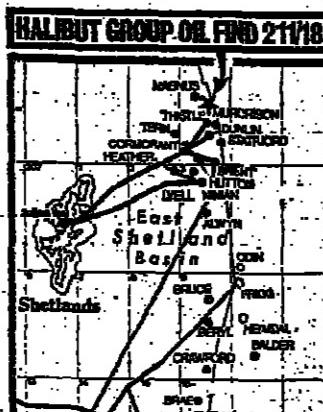
A WELL drilled by British National Oil Corporation's Halibut Group has confirmed the discovery of a new commercial-size oil field in the North Sea.

It is thought that the reservoir, about 120 miles north east of the Shetland Islands, could contain over 100m barrels—more than enough to justify development. (Each barrel is the equivalent of 35 gallons.)

The discovery is in the same block as BNOC's big Thistle Field. It is quite likely that existing production and transport facilities will be used to exploit the unnamed find. But BNOC emphasised last night that much more appraisal work would have to be undertaken first.

The corporation said the latest well, (211/18-26) had found oil in the Middle Jurassic rock formation. The well had extended the known area of oil accumulation first found by the 211/18-12 drilling operation in 1976. The two wells are about 0.8 miles apart.

BNOC has suspended activity on the latest well and the drill-



ing rig, Atlantic One is being moved to another Corporation location. It is expected that a testing programme to evaluate the significance of the latest find will begin later this year, probably in early summer.

Industry reports suggest that BNOC will want to carry out a lengthy test in view of the producing characteristics of the rock formation. It is understood that the reservoir has a lower porosity than in some of the

other commercial discoveries in the North Sea. BNOC will want much better weather than at present to conduct such a test.

Interests in the discovery are: BNOC (20 per cent), Demex (22.5 per cent), Santa Fe (22.5 per cent), Tricentrol (10 per cent) and Charterhouse Petroleum (1 per cent). The group is known to be considering the name Caber for the field.

BNOC, which is expected to announce an increase of about \$2 a barrel in North Sea prices in the next few days, is unlikely to press for the early development of Caber. It has already been told by the Government to delay for two years the development of the Clyde Field as part of a scheme to smooth the North Sea production profile through the 1980s.

The Halibut Group may wait until its peak in the mid-1980s before proceeding with the new development. It may also decide to link the development to the exploitation of a reservoir located in the north-east corner of the block by a successful well.

The Northern Ireland Office said Mr. Michael Alison, deputy to Mr. Atkins, the Northern Ireland Secretary, would assume overall responsibility for finance and ensure that public expenditure programmes were better co-ordinated.

Mr. John Patten, 35, is the youngest member of the Stormont team. As Parliamentary Under Secretary he will take charge of health and social services.

## Average tax levels 'not high'

By PETER RIDDEL, ECONOMICS CORRESPONDENT

FURTHER EVIDENCE that the average levels of taxation and social security contributions are not high by international standards has been provided by new official figures.

An article in the latest issue of Economic Trends, published monthly by the Central Statistical Office, shows that in 1971 UK taxes and social security contributions were 41 per cent of income as measured by Gross National Product. The UK was fourth out of 12 major countries.

By 1978 the percentage was 30 per cent and the UK was in seventh place, as the tax burden rose in most other countries in the period.

The country with the highest proportion in 1978 was Sweden, with 60 per cent, while Japan

had the lowest share, at 17 per cent.

These comparisons are substantially affected by whether social security contributions are included. If they are excluded, the UK moves up from seventh to fourth place in 1978.

The UK, in common with most other European countries, derived a relatively low proportion of its total tax revenue from taxes on corporate income—7 per cent in 1978 (against 8 per cent in 1971). This compares with a 19 per cent share in Japan and 13 per cent in the US.

The proportion of total taxation derived from taxes on expenditure fell over the period generally, notably in Belgium and Italy.

In contrast, the percentage of

total revenue derived from social security contributions rose sharply between 1971 and 1978, notably in Japan, Sweden and Switzerland. In the UK the share rose from 14 to 18 per cent, though this was still well below the average share.

Another article in Economic Trends compares the level of public services' employment in various countries.

It concludes that on the basis on which countries can be most satisfactorily compared (that is general Government employment in Armed Forces, other services, and administration), the UK does not appear to be out of line with other European countries. It has a lower proportion of employment in the public sector than West Germany and the Netherlands.

## Unions called to Times talks

By JOHN LLOYD AND JOHN MOORE

IN THE latest move on The Times the general secretaries of the five print unions have been called to a meeting today with Mr. Gordon Brunton, chief executive of Thomson British Holdings, UK parent company of Times Newspapers.

More than 30 bid approaches have been made for all or part of Times Newspapers, including approaches from US companies.

Negotiations are taking place between S. G. Warburg, the merchant bank advising Times Newspapers, and the interested parties, but no agreement had been reached last night.

It is therefore unlikely that the general secretaries will be

told which, if any, of the interested companies is a front runner.

Mr. Brunton may disclose a good deal of the financial information released to these companies, but so far withheld from the unions.

The print unions are crucial in any future sale of the company, since profitability, especially of The Times, is seen to depend heavily on renegotiation of manning and possibly on the place where it is printed.

The unions have called for a future owner to maintain present staff levels at Times Newspapers, and have made it clear that they would fight to retain the middle of March.

Union officials had complained that the information given them at the meetings was minimal.

## Lloyds Bank cuts interest rates

By MICHAEL LAFFERTY

LLOYDS BANK is cutting interest rates on its personal and home loan schemes from Monday.

From that date Lloyds will be charging an annual rate of just under 30 per cent for personal and home improvement loans.

The home loan rates are being reduced by 1 per cent to base rate plus 2 per cent, equivalent to 16 per cent, for new loans of up to £20,000. For advances above that figure the interest rate is to be 2½ per cent above base.

Lloyds, which was the first of the clearing banks to enter the home loans market last year, is making the changes following November's 2 per cent cut in MLR.

One of the most interesting features of yesterday's announcement is a stipulation by Lloyds that all new home loans will be subject to a minimum interest rate of 10 per cent.

This reflects the bank's view that it costs about 8 per cent to collect current account deposits.

The clearing banks have been considering the introduction of

a minimum rate of interest for overdrafts and all personal loans for some time.

Lloyds said yesterday that people with existing mortgages could have the new mortgage rates provided they accepted the condition of the 10 per cent minimum rate.

• National Westminster Bank today reduces the rates of interest payable on two of its savings accounts. Three months notice accounts will now pay 13½ per cent, while six months deposits will pay 14 per cent. This is a cut of 1½ per cent

from the previous 15 per cent.

• National Westminster Bank

will be subject to a minimum interest rate of 10 per cent.

This reflects the bank's view that it costs about 8 per cent to collect current account deposits.

The clearing banks have been

considering the introduction of

a minimum rate of interest for overdrafts and all personal loans for some time.

Lloyds said yesterday that people with existing mortgages could have the new mortgage rates provided they accepted the condition of the 10 per cent minimum rate.

• National Westminster Bank

will be subject to a minimum interest rate of 10 per cent.

This reflects the bank's view that it costs about 8 per cent to collect current account deposits.

The clearing banks have been

considering the introduction of

a minimum rate of interest for overdrafts and all personal loans for some time.

Lloyds said yesterday that people with existing mortgages could have the new mortgage rates provided they accepted the condition of the 10 per cent minimum rate.

• National Westminster Bank

will be subject to a minimum interest rate of 10 per cent.

This reflects the bank's view that it costs about 8 per cent to collect current account deposits.

The clearing banks have been

considering the introduction of

a minimum rate of interest for overdrafts and all personal loans for some time.

Lloyds said yesterday that people with existing mortgages could have the new mortgage rates provided they accepted the condition of the 10 per cent minimum rate.

• National Westminster Bank

will be subject to a minimum interest rate of 10 per cent.

This reflects the bank's view that it costs about 8 per cent to collect current account deposits.

The clearing banks have been

considering the introduction of

a minimum rate of interest for overdrafts and all personal loans for some time.

Lloyds said yesterday that people with existing mortgages could have the new mortgage rates provided they accepted the condition of the 10 per cent minimum rate.

• National Westminster Bank

will be subject to a minimum interest rate of 10 per cent.

This reflects the bank's view that it costs about 8 per cent to collect current account deposits.

The clearing banks have been

considering the introduction of

a minimum rate of interest for overdrafts and all personal loans for some time.

Lloyds said yesterday that people with existing mortgages could have the new mortgage rates provided they accepted the condition of the 10 per cent minimum rate.

• National Westminster Bank

will be subject to a minimum interest rate of 10 per cent.

This reflects the bank's view that it costs about 8 per cent to collect current account deposits.

The clearing banks have been

considering the introduction of

a minimum rate of interest for overdrafts and all personal loans for some time.

Lloyds said yesterday that people with existing mortgages could have the new mortgage rates provided they accepted the condition of the 10 per cent minimum rate.

• National Westminster Bank

will be subject to a minimum interest rate of 10 per cent.

This reflects the bank's view that it costs about 8 per cent to collect current account deposits.

The clearing banks have been

considering the introduction of

a minimum rate of interest for overdrafts and all personal loans for some time.

Lloyds said yesterday that people with existing mortgages could have the new mortgage rates provided they accepted the condition of the 10 per cent minimum rate.

• National Westminster Bank

will be subject to a minimum interest rate of 10 per cent.

This reflects the bank's view that it costs about 8 per cent to collect current account deposits.

The clearing banks have been

considering the introduction of

a minimum rate of interest for overdrafts and all personal loans for some time.

Lloyds said yesterday that people with existing mortgages could have the new mortgage rates provided they accepted the condition of the 10 per cent minimum rate.

• National Westminster Bank

will be subject to a minimum interest rate of 10 per cent.

This reflects the bank's view that it costs about 8 per cent to collect current account deposits.

The clearing banks have been

considering the introduction of

a minimum rate of interest for overdrafts and all personal loans for some time.

Lloyds said yesterday that people with existing mortgages could have the new mortgage rates provided they accepted the condition of the 10 per cent minimum rate.

• National Westminster Bank

will be subject to a minimum interest rate of 10 per cent.

This reflects the bank's view that it costs about 8 per cent to collect current account deposits.

The clearing banks have been

considering the introduction of

a minimum rate of interest for overdrafts and all personal loans for some time.

Lloyds said yesterday that people with existing mortgages could have the new mortgage rates provided they accepted the condition of the 10 per cent minimum rate.

• National Westminster Bank

will be subject to a minimum interest rate of 10 per cent.

This reflects the bank's view that it costs about 8 per cent to collect current account deposits.

The clearing banks have been

considering the introduction of

a minimum rate of interest for overdrafts and all personal loans for some time.

Lloyds said yesterday that people with existing mortgages could have the new mortgage rates provided they accepted the condition of the 10 per cent minimum rate.

• National Westminster Bank

will be subject to a minimum interest rate of 10 per cent.

This reflects the bank's view that it costs about 8 per cent to collect current account deposits.

The clearing banks have been

considering the introduction of

a minimum rate of interest for overdrafts and all personal loans for some time.

Lloyds said yesterday that people with existing mortgages could have the new mortgage rates provided they accepted the condition of the 10 per cent minimum rate.

• National Westminster Bank

will be subject to a minimum interest rate of 10 per cent.

## UK NEWS

**NEDO lists the high-costs energy payers**

ENERGY costs for an important group of medium and large consumers in energy-intensive British industries are out of line with those of their overseas competitors, the National Economic Development Office says in a report presented yesterday.

"These industries are suffering generally from worldwide overcapacity, coupled with demand recession and increased competition from overseas."

Their cost, therefore, unable to transmit to their customers energy costs higher than those of their competitors, or to absorb them without damage.

These problems, it says, result partly from the application of UK energy pricing policy, partly from the policy on financial control of nationalised industries, partly from utilities' commercial practices and from sterling's depreciation.

NEDO's conclusions include:

**Electricity:** Large tariff dis-

counts are available...on the those paid by Continental competitors.

Paper and board, steel, chemicals and foundries are named as examples of the type of industry where energy costs are better off because of peak rates apply for significantly more of the week.

In a second paper to the National Economic Development Council which includes comments on the NEDO report, the Energy Department stressed "the considerable difficulties in making accurate and representative international comparisons."

Summarising research so far, the department says that while certain more energy-intensive industries face "particular problems which go wider than

the illusion that the country can be insulated from wider world energy developments."

There are, for example, "some discrepancies" between prices paid by large consumers of electricity in Britain and on the Continent, but the department suggests that problems such as the need to compare like with like have not been resolved.

Industry and Government must work together to identify difficulties and "assess what needs to be done to turn on energy prices or on some deeper cause."

In cases where clear problems existed, industry and fuel and power suppliers must work closely to improve supplier customer arrangements.

British industry stood to derive positive benefits from adjusting early and effectively to high energy prices.

To price indigenous energy sources below their long-run replacement cost "could only give a temporary and misleading

**Refined oil consumption is down 17.2% on last year**

BY RAY DAFTON, ENERGY EDITOR

OIL-REFINERS have been confronted by a 17.2 per cent drop in consumption compared with a year ago, according to provisional energy statistics published yesterday by the Energy Department.

The amount of oil products used in the three months from September to November was 19.4m tonnes compared with 23.5m tonnes in the corresponding quarter of 1979.

Deliveries of oil for non-energy use—including chemicals manufacturing—fell by 43.9 per cent while the consumption of products used for energy purposes dropped by 14.1 per cent.

In the quarter, UK production of crude oil, mainly from the North Sea, slightly exceeded the country's demand for products. Output in the three months totalled 19.98m tonnes, a 1 per cent rise on production levels in the corresponding period of 1979. It was the first

year-on-year increase over a three-month period since the early summer.

Overall, the UK consumed 6.9 per cent less energy in the September-November period compared with a year previously.

Consumption, on a primary fuel input basis, was 79.7m tonnes of coal equivalent. In contrast, indigenous production of primary fuels—essentially oil, gas and coal—totalled 83.3m tonnes of coal equivalent, a rise of 2 per cent.

Coal output rose by 3 per cent to 34.6m tonnes, although demand for the fuel fell by 5.7 per cent to 30.1m tonnes.

Natural gas consumption edged up by 0.5 per cent to 16.1m tonnes of coal equivalent whereas production rose 2.2 per cent to 12.8m tonnes.

Production and consumption of nuclear and hydro-electricity increased by 0.4 per cent to 3.9m tonnes of coal equivalent.

It was important that there should be an adequate balance, and a free flow of information, between the two.

**Joseph backs support for private research**

BY MARTIN DICKSON, ENERGY CORRESPONDENT

Financial Times Reporter

PUBLIC SUPPORT for research and development in industry is justified, but the role of the Government is not to pick winners, Sir Keith Joseph, the Industry Secretary, said in a paper presented to the National Economic Development Council yesterday.

Research and development could be a public rather than a private good, even though its benefits were largely derived by private industry. This justified Government support, which must be selective and take account of the needs of the nation's industry.

Most basic research was in the public sector, most application in the private. It was important that there should be an adequate balance, and a free flow of information, between the two.

Unfortunately, the economic recession means that most industrialists are short of cash and could not afford the capital to pay for the conversion of their boiler plant," he told miners at Cotgrave colliery, near Nottingham.

This difficulty could be overcome if Government investment grants were made available for boiler conversion or if finance were provided at specially low

rates of interest—as was being done in other countries.

This would conserve oil reserves, mean lower costs for manufacturing industry, give much needed work for combustion equipment makers and boost the coal industry.

Sir Derek Ezra, the board's chairman, said coal cost only about half as much as oil for most industrial uses and offered greater security of supply. The board had a long list of factories where a switch had been planned and costed.

Over the last 10 years we have revealed an appalling picture of incompetence, wastefulness and even dishonesty. After each of our tests of servicing there were protestations from the trade that things were not as black as we had painted them, but that they would look carefully into our complaints.

However, despite the introduction in 1976 of a code of practice for the motor industry, we are forced to the conclusion that you are no more likely to get a decent service for your car today than you were 10 years ago.

Only two of 50 garages "came anywhere near to carrying out a full service in line with makers' specifications," according to the survey in Motoring Which?

Mr. David Tench, the CA's legal adviser, said some of the garages "clearly are guilty of criminal offences under the Trade Descriptions Act, or even the Theft Act, for obtaining money by false pretences."

The association came close to taking legal action against some garages, but decided instead to present its evidence to the Office of Fair Trading and ask for an inquiry into garage servicing.

It appeared unaware that an OFT investigation is under way. This began in November after the OFT disclosed that complaints about car servicing are its fastest "growth area."

From 6,700 in 1975, they rose to 14,500 in 1978 and 17,400 in 1979.

Mr. Gordon Borrie, the OFT's director-general, has warned that he might ask the Trade Department to introduce legislation on servicing and repairs.

In November, the OFT published a report recommending stringent legislation in another area of the motor trade, used car sales.

Motoring Which? said that apart from the two garages which made a fair attempt at servicing, of the other 48, 10 managed to achieve a rating of poor (which meant they got at least a quarter of the service items wrong or failed to do them), 34 were rated very poor (only half the service done properly, if at all) and three were appalling (barely a third done properly, if at all).

The remaining garage charged us £40 for a full service and did little more than change the oil. It was awarded the most trouble-free in Motoring Which?'s annual survey of reliability.

**Coal board urges grants for switch to coal-firing**

BY MARTIN DICKSON, ENERGY CORRESPONDENT

THE NATIONAL COAL BOARD yesterday urged the Government to provide investment grants to help industry switch from oil-burning equipment to coal-firing.

Sir Derek Ezra, the board's chairman, said coal cost only about half as much as oil for most industrial uses and offered greater security of supply. The board had a long list of factories where a switch had been planned and costed.

Unfortunately, the economic recession means that most industrialists are short of cash and could not afford the capital to pay for the conversion of their boiler plant," he told miners at Cotgrave colliery, near Nottingham.

This difficulty could be overcome if Government investment grants were made available for boiler conversion or if finance were provided at specially low

rates of interest—as was being done in other countries.

This would conserve oil reserves, mean lower costs for manufacturing industry, give much needed work for combustion equipment makers and boost the coal industry.

Sir Derek Ezra, the board's chairman, said coal cost only about half as much as oil for most industrial uses and offered greater security of supply. The board had a long list of factories where a switch had been planned and costed.

Over the last 10 years we have revealed an appalling picture of incompetence, wastefulness and even dishonesty. After each of our tests of servicing there were protestations from the trade that things were not as black as we had painted them, but that they would look carefully into our complaints.

However, despite the introduction in 1976 of a code of practice for the motor industry, we are forced to the conclusion that you are no more likely to get a decent service for your car today than you were 10 years ago.

Only two of 50 garages "came anywhere near to carrying out a full service in line with makers' specifications," according to the survey in Motoring Which?

Mr. David Tench, the CA's legal adviser, said some of the garages "clearly are guilty of criminal offences under the Trade Descriptions Act, or even the Theft Act, for obtaining money by false pretences."

The association came close to taking legal action against some garages, but decided instead to present its evidence to the Office of Fair Trading and ask for an inquiry into garage servicing.

It appeared unaware that an OFT investigation is under way. This began in November after the OFT disclosed that complaints about car servicing are its fastest "growth area."

From 6,700 in 1975, they rose to 14,500 in 1978 and 17,400 in 1979.

Mr. Gordon Borrie, the OFT's director-general, has warned that he might ask the Trade Department to introduce legislation on servicing and repairs.

In November, the OFT published a report recommending stringent legislation in another area of the motor trade, used car sales.

Motoring Which? said that apart from the two garages which made a fair attempt at servicing, of the other 48, 10 managed to achieve a rating of poor (which meant they got at least a quarter of the service items wrong or failed to do them), 34 were rated very poor (only half the service done properly, if at all) and three were appalling (barely a third done properly, if at all).

The remaining garage charged us £40 for a full service and did little more than change the oil. It was awarded the most trouble-free in Motoring Which?'s annual survey of reliability.

## LABOUR

**Pay battle grows as leaders of gas workers reject 9%**

BY PAULINE CLARK, LABOUR STAFF

THE BATTLE over public sector pay intensified yesterday when leaders of 42,000 gas workers rejected a 9 per cent pay offer.

The offer is more than one percentage point higher than that thrown out by Britain's water workers on Tuesday with threats of a national strike.

Union leaders, who asked for a 23 per cent rise, made clear their desire to see a settlement at least in line with the miners' 13 per cent deal. The gas workers traditionally compare themselves with the miners.

The employers said yesterday that a further meeting had been fixed for January 30, when the British Gas Corporation hopes to have a clearer picture of its financial position for the next year.

The offer on basic rates would

give an increase of about 5.5% a week to a labour force rising to 28,400 week to technicians.

Wages in the industry last year cost about £702m or 28 per cent of total costs.

Last year's 18% to 19% per cent rise for manual workers took a labourer's basic pay to £88 a week, and a craftsman's to £91 a week.

One of the key elements of the claim was for a basic rise of 23 per cent to match price inflation. The union argues that the corporation could meet the total claim twice over in the light of the £600-700m profit forecast for this year based on Government pricing policies.

Gas prices are to rise by 10 per cent more than the rate of inflation this year under the policy set out by the Energy Department.

**Labour pressed for 'recovery' manifesto**

BY CHRISTIAN TYLER, LABOUR EDITOR

UNIONS representing workers in Fisons fertiliser division are likely to oppose the spring committee, the next Labour Government to produce a manifesto.

Mr. David Warburton, chemicals' industry national officer of the General and Municipal Workers Union, the main union involved, said he was to be advised by the union's executive to give "positive support" to members in defence of jobs.

This Keynesian solution to Britain's unemployment problem was advanced by Mr. Clive Jenkins, general secretary of the Association of Scientific, Technical and Managerial Staffs, and a member of the TUC's economic committee.

A similar message is likely to emerge from the TUC's forthcoming annual economic review, now nearing its final draft.

He thought the greatest difficulty would be the company's plan to close its Plymouth plant. The other plants to close are at Widnes, Barking and Boston.

UNION leaders at Vellindale template plant near Swansea yesterday challenged British Steel Corporation to a face-to-face debate on the merits of dismissing almost 1,500 workers from the plant.

The works council, which received a massive vote of confidence from the workforce yesterday, wants corporation chiefs to go to Vellindale and explain why it makes sense to employ two-thirds of a plant that made more than £41m profit in the past eight years.

Over the last 10 years we have revealed an appalling picture of incompetence, wastefulness and even dishonesty. After each of our tests of servicing there were protestations from the trade that things were not as black as we had painted them, but that they would look carefully into our complaints.

However, despite the introduction in 1976 of a code of practice for the motor industry, we are forced to the conclusion that you are no more likely to get a decent service for your car today than you were 10 years ago.

Only two of 50 garages "came anywhere near to carrying out a full service in line with makers' specifications," according to the survey in Motoring Which?

Mr. David Tench, the CA's legal adviser, said some of the garages "clearly are guilty of criminal offences under the Trade Descriptions Act, or even the Theft Act, for obtaining money by false pretences."

The association came close to taking legal action against some garages, but decided instead to present its evidence to the Office of Fair Trading and ask for an inquiry into garage servicing.

It appeared unaware that an OFT investigation is under way. This began in November after the OFT disclosed that complaints about car servicing are its fastest "growth area."

From 6,700 in 1975, they rose to 14,500 in 1978 and 17,400 in 1979.

Mr. Gordon Borrie, the OFT's director-general, has warned that he might ask the Trade Department to introduce legislation on servicing and repairs.

In November, the OFT published a report recommending stringent legislation in another area of the motor trade, used car sales.

Motoring Which? said that apart from the two garages which made a fair attempt at servicing, of the other 48, 10 managed to achieve a rating of poor (which meant they got at least a quarter of the service items wrong or failed to do them), 34 were rated very poor (only half the service done properly, if at all) and three were appalling (barely a third done properly, if at all).

The remaining garage charged us £40 for a full service and did little more than change the oil. It was awarded the most trouble-free in Motoring Which?'s annual survey of reliability.

The Left strengthened hold on builders' union executive

BY CHRISTIAN TYLER, LABOUR EDITOR

THE succession of a Communist to the chairmanship of the Union of Construction, Allied Trades and Technicians this week has reinforced the Left's ascendancy on the union's seven-man national executive council.

Mr. Arthur Utting will preside for the next two years over an executive which contains two other Communists, Mr. Hugh D'Arcey and Mr. Jack Henry, who was elected at the end of last month. Two other members are Left-wingers, Mr. Albert Williams and Mr. Charles Kelly, who was elected last year to the Labour Party's national executive.

The moderate camp has been reduced to two—Mr. Glyn Lloyd, who is also on the TUC general council, and Mr. Danny Crawford, a pugnacious Right-winger.

The Left-wing majority on the UCATT executive has not had obvious repercussions on pay negotiations in the building industry, but has influenced the union's line on political issues since the death of the Right-wing general secretary, Sir George Smith.

The situation could change with the rise of Mr. Henry and the new prominence of Mr. Utting. Both have the reputation of case-hardened militants.

Mr. Henry made his name as a leader of the big strikes on the Barbican and Horseshoe Road sites in London in the late 60s, and is said to command considerable respect in the industry.

**Split vote**

In the election for the vacancy on the executive side left by the moderate Mr. Jimmy Hardman, who has become assistant general secretary, Mr. Henry beat two moderates in a four-man contest. In effect, the Right-wing vote was split.

He polled 4,930 votes to the 2,513 of Mr. Len Eaton, London regional secretary, the 2,28

## THE MARKETING SCENE

## Advertising—on course for a vintage '82

THE MEN and women who work in advertising agencies are an exasperating lot. One minute they are plunged in gloom and despair, convinced that their clients and accounts are going to the dogs; the next they are gripped by celebration. They affect sackcloth one day, velour the next, so that only the shrewdest of outsiders can puzzle what is really going on.

At present, agency celebrations are poised in mid-cork, for while 1980 was unexpectedly good for advertising, the current year will prove far less grand.

According to latest forecasts by the Advertising Association, the total UK advertising spend this year is likely to show a fall in real terms of approximately 10 per cent, which sounds extremely painful but isn't quite so.

Indeed, the AA expects a return to real growth in advertising by the middle of this year, with the forecast probability of a truly vintage '82, which in terms of display advertising could very well rival the all-time peak year of 1973.

According to Mike Waterson, the AA's chief researcher, total advertising revenue last year was an estimated £2,535m for a gain in cash terms of 19 per cent and thus an improvement, in real terms, of approximately 1 per cent: this is a year when advertising was expected to fall sharply in line with the narrowing squeeze on profits.

True, Press classified fell badly, showing a cash gain of only 2 per cent at £491m, while overall Press display fell modestly (-4 per cent in real terms, at £927m). But television advertising last year proved extraordinarily buoyant, benefiting in the first half by carry-over revenue from the 1978 strike, and putting in a spirited last quarter for a 1980 total that was 50 per cent higher, at £620m. (AA definitions).

Even Mr. Waterson, dubbed in some quarters as advertising's very own Cassandra, agrees that, historically, 1980 was a "strangely good" year. "In historical terms," he says, referring to the way in which the advertising cycle traditionally predates the trade cycle, "you'd have expected a big fall in advertising in 1980."

Remembering that 1980



Left to right: Tim Bell, chairman of Saatchi and Saatchi, Joint top; David Lee, chairman of Masius, in the mood to buy; Martin Boase, chairman of Boase Massimi Pollitt, rapid growth

revenues are being contrasted with a strike-hit '79, he points to two other factors which explain the buoyancy of last year: (1) resilient consumer expenditure; (2) boisterous advertising and promotional activity by importers, who in their bid to muscle deeper into UK markets (notably cars, electricals, and a swathe of consumables) are spending heavily on advertising.

Predictably, the fortunes of the biggest agencies were mixed. Of the Big Four, only McCann-Erickson performed indifferent, though it must be noted that it switched £7.5m worth of billing into a sister shop at the start of the year.

That switch is only one of the pitfalls in the Campaign Top 100, for not all the figures are by any means comparable. As an example, whereas Saatchi and Saatchi's claimed £83m constitutes 86 per cent of the Saatchi group total, the £83m claimed by J. Walter Thompson in London represents only 58 per cent of Thompson's group total.

Nevertheless, the figures show that many agencies enjoyed a very good year. Of the biggest, Saatchi's made numerous gains (United Biscuits, Morris Ital, Berger Paint, Max Factor, Lyons Cakes, etc.), while JWT consolidated its recovery of the past two years with a £20m improvement in billings.

With its share price booming and its coffers awash (year-end cash and deposits stood at £6m), it is firmly on the cards that by the end of this year, Saatchi's will have made its long-awaited foray into U.S. advertising.

But it refuses to be rushed. In December, announcing a tenth successive profits rise (up 23 per cent to £3m pre-tax), Saatchi's said it would not be hustled, "even by financial advisers insisting that because of the current strength of the pound, this is the perfect time to buy."

Level with Saatchi's is Thompson's, whose 1980 gains-to-losses ratio was very healthy. A year or two ago there was a view that Thompson's had gone soft at the edges, but it has clearly rasped itself down.

As for McCann, chairman Ann Burdus is facing her first real public test with the four-way review of Tesco, McCann's mightiest account.

Masius also prospered, winning Talbot's £5.5m in the biggest gain of the year, plus other important goodies. So confident is chairman David Lee of further expansion that he is not only firmly in the market for a worthwhile acquisition, but at the New Year authorised an agency salary rise of 15 per cent on top of generously-higher bonuses for 1980 as a whole.

Of those thrusting from below, the three high-fliers are Allen Brady and Marsh, whose entrepreneurial track record is beginning to rival that of Saatchi's. Dorland, which recorded the highest billings gain among the Top 15 and looks set for further rapid growth, and Boase Massimi Pollitt, which apart from almost doubling its billing over the past two years, retains the unqualified admiration of its peers.

It will be noted that all three are British-owned (a coincidence, to be sure) and thus rank with Saatchi's and Collett Dickenson as the only non-American agencies in the Top 15.

Anyone remotely close to ABM could forecast another ebullient year, and the same applies to Boase, but it is Dorland that probably most bears watching. It used to be a booze-and-food shop but now has a much broader base and has seen billings grow from £1m six years ago to a gash short of £40m.

Along with Boase, Dorland attracts virtually nothing but praise from its closest rivals, and in the enveloped world of advertising, that is no mean measure.

BRITAIN'S TOP 15 AGENCIES								
Ownership	Agency	1980 % Gain, % Gain, Billings 1980 on 1980 on		Five largest clients (alphabetically)		How They See Themselves		How Their Competitors See Them
		(£m)	1979	1978				
1=) Saatchi and Saatchi		83.00	23.0	50.6	BL, Cadbury Schweppes, Procter & Gamble, Rowntree, United Biscuits	Very lucky.	Very smart business management. Pushy, Acutely PR-conscious. Produces advertisements rather than campaigns.	
2=) J. Walter Thompson (London)		83.00	28.9	28.9	Brooke Bond Oxo, Guinness, Kellogg, NatWest, Rowntree	Good ideas, good buying, mature understanding of advertising. Consistent return on clients' investment.	Stable, unchanged. Establishment. Eminently sound. Long-running campaigns. New found aggression.	
3=) D'Arcy-MacManus & Masius		75.00	17.2	28.6	Allied Breweries, Colgate, Co-Op (CWS), Imperial Group, Mars, Weetabix (Whitworths)	The one thing we're serious about is our clients' success.	Strong marketing agency. Solid, professional, competent, dull. Narrow account range.	
3=) McCann-Erickson*		75.00	9.8	25.0	Carreras, GM/Opel, Martini, Nestle, Tesco	Highly professional and stable agency with exceptional strength in its middle management.	Sticky year. Possibly slipping. Ruthless. Clicked creative work.	
5) Ogilvy & Mather		61.20	24.1	26.7	American Express, Bovril, Ford, Rowntree, Shell	Professional business partners. Excellent strategists, creators of relevant, distinctive advertising... and fun!	Good expectations. Commodity-oriented. Solid, bland.	
6) Collett Dickenson Pearce		60.89	10.8	25.2	Barclays & Barclaycard, Bird Eye, Gallaher, Reckitt & Colman, Whitbread	Leading creative agency, focused, unblinkingly on results. Given too little credit for strategic thinking.	Brilliant creative work. Possibly indulgent. Has prospered since going private.	
7) Young & Rubicam		46.41	20.2	34.0	Cadbury, COI, Heinz, IDV, Procter & Gamble	Professional, friendly, successful, with dramatically improved creative work. A good agency, getting better.	Relying on past reputation. Sound growth prospects. Very good media.	
8) Foote Cone & Belding**		45.22	37.9	69.2	NA	Planned Flair. Marvelous at building big long-term brands. Immersed in clients' business.	Self-effacing. Dominated by British Airways. Improving creative product.	
9) Ted Bates		39.64	15.4	22.8	BAT, Electricity Council, Mars, Pedigree Petfoods, Seiko	Unflashy originator of highly successful campaigns that are more famous than the agency.	Good packaged goods agency. Little warmth or colour.	
10) Allen Brady & Marsh		39.12	26.6	90.8	British Rail, Harp Lager, International Stores, Midland Bank, Woolworth	"The pursuit of excellence"—the philosophy of ABM, the agency of the 1980s.	Fashionable, brash, attacking. Solid research base. Good down-market product. Self-important. Possibly vulnerable.	
11) Doyland Advertising		38.00	46.2	81.0	Cadbury Schweppes, Carrol, National Savings, Heinz, Post Office	Understand. Plan. Verify. Knows what advertising should do. Makes advertising do it.	Sound, aggressive, well-managed. Underrated creative product.	
12) Leo Burnett		37.50	19.8	58.6	Austin Morris, Beecham, Cadbury, Philip Morris, Scottish & Newcastle	Dedicated to making creative advertisements effective. Producing distinctive, motivating, uncompromisingly-branded campaigns.	Efficient, enigmatic, toughly managed. Not a happy agency.	
13) Wasey Campbell-Ewald		35.20	0.00	21.4	COI, General Motors, Goodyear, Littlewoods, Philips	Underrated. Demonstrably more professional, creative and better at growing clients' business than currently reported.	Unfortunate year. No image.	
14) Boase Massimi Pollitt Univas		32.20	25.8	95.2	Cadbury Schweppes, Courage, Haliford, Reckitt & Colman, Unigate	Rapid growth. Famous campaigns. Pioneers of account planning. Unique bala-ce-thoughtful creativity.	Most rounded agency. Usually excellent product. Universally admired. Brand architects, not bricklayers.	
15) Limtas		31.20	17.7	25.8	Birds Eye, Lever Bros., Polycell, Van den Berg, Walls Ice	Upbeat advertising building strong brands; consistent marketing experience; combination of flair and commitment.	Professional, lacks image. Still regarded as Unilever offshoot.	

Billings data: Campaign. \*£7.5m. moved into Harrison McCann Jan. 1, 1980. \*\*FCB includes Park Advertising from April, 1980.

## Technical Page

EDITED BY ARTHUR BENNETT AND ALAN CANE

## Springs put to the final test

SMALL MANUFACTURERS who rely on suppliers for spring testing can now carry out this exercise themselves with what is believed to be the first commercially available electronic force/length analyser of its kind to be made in the UK.

There are two main parts to the machine (the mechanical frame housing force and length transducers, and the electronic control box) and its light weight, it eliminates installation costs—it is simply placed on a bench and plugged in.

The spring tester was developed in conjunction with the Spring Research and Manufacturers Association over an 18 month period says maker MHH Engineering Company, Bramley, Guildford, Surrey. (0453 892772).

One of the largest producers of torque tools in this country, the company wanted to improve

its method of spring testing in order to achieve the standard of sophistication needed for its coil sprung wrench design.

The spring action is unique to MHH's particular tool range and until now the only true test it could make was on the finished tool application at the point of calibration.

Springs are used in every industry for a myriad of applications and their efficiency is particularly critical for those manufacturers who do their own development work as well as those using springs in large quantities. The viability of their units is essential for forecasting market potential.

The MHH machine costs £6,500 complete, and potential users will have the chance of seeing this product for the first time at the INSPEREX 81 exhibition at the NEC, Birmingham, March 16-20.

Waste glass, or cullet, is a standard ingredient in glass making. It helps the raw materials—soda ash, limestone and sand—to melt more quickly in the furnace. According to the Glass Manufacturers' Federation (GMF) every ten per cent of cullet used in this way saves 2 per cent in energy.

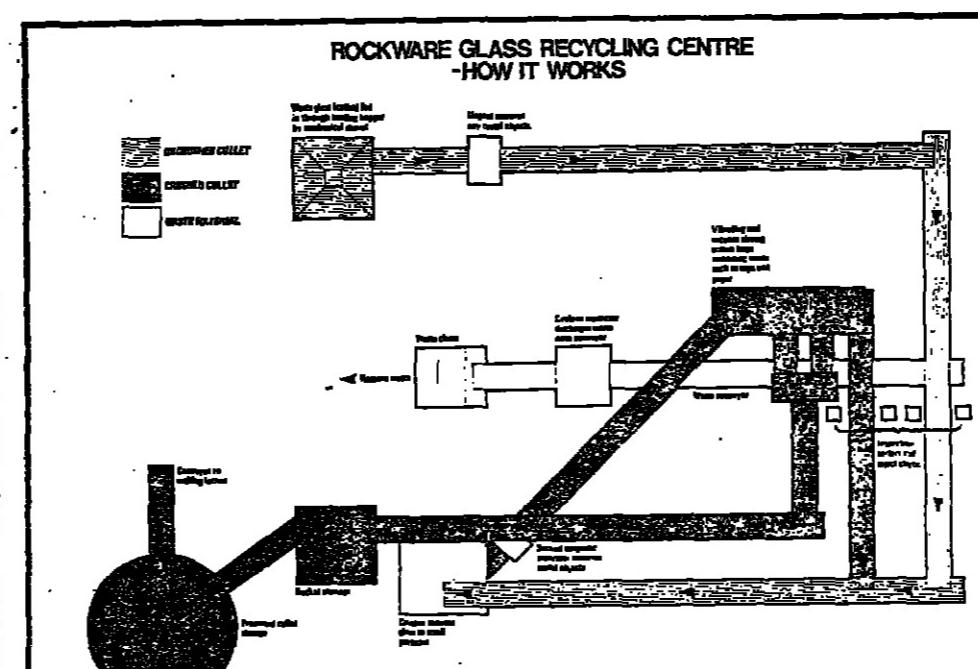
If the industry reaches its target of processing 300,000 tonnes a year, the federation claims that this will save more than £7.5m in energy costs. In Britain, about 20 to 30 per cent cullet is used in glass manufacture although 50 per cent should eventually be the norm.

The GMF said that interest in glass recycling by local authorities has increased dramatically over the last year.

In Switzerland, where glass recycling was pioneered, about 85 per cent cullet is used to make green glass.

Every year about 600 bottles and jars, equivalent in about 2.5 tonnes of glass are produced in the UK. In 1978, for example, British housewives bought £16m worth of glass containers of which 80 per cent ended up in the dustbin.

The new recycling plant,



which is planned by United Glass, will have the capacity for recycling 150,000 tonnes of glass a year. It will be built near to the United furnace in Harlow, but the company is experiencing planning permission problems at the moment.

The Glass Manufacturers' Federation said that there was also the difficulty of raising the capital for the project in the light of the industry's economic plight.

Nevertheless the GMF said that interest in glass recycling by local authorities has increased dramatically over the last year.

In Switzerland, where glass recycling was pioneered, about 85 per cent cullet is used to make green glass.

Every year about 600 bottles and jars, equivalent in about 2.5 tonnes of glass are produced in the UK. In 1978, for example, British housewives bought £16m worth of glass containers of which 80 per cent ended up in the dustbin.

The new recycling plant,

makers will pay up to £16 a tonne so areas with a good response can make a very modest income.

On average, each skip has to collect 1.5 tonnes of glass a week to be economic. The national average collection per week is 1.54 tonnes although local variations produce extremes of 0.7 tonnes and 5 tonnes.

Profit from Waste, a limited company which is part of the Manchester Business School, claimed in a report last year that the Glass Manufacturers' Federation is over-looking a plentiful supply of waste glass by concentrating simply on the domestic scene.

The incentive offered to local authorities to run the scheme is the profit from selling cullet to glass container manufacturers.

Mr. Eric Stott, President of the GMF, claimed that high energy prices had been responsible for the industry losing orders worth £36m in 1980. British companies, he said had become uncompetitive.

In addition, glass manufacturers have come under

increasing competition from other types of containers. About 20 years ago, most beverages, apart from wines and spirits, were sold in returnable, deposit charged, glass bottles. Today most of these have been replaced by the non-returnable plastic bottle and lightweight metal cans.

Where glass still remains on shop shelves, it is for products such as preserves, coffee, a range of alcoholic drinks and a limited number of fruit cordials, even these are non-returnable.

Over the past year, the non-returnable glass bottle has come under increasing competition from a lightweight, shatter-proof, plastic container made from polyethylene terephthalate (PET).

Unlike many other types of plastic PET retains the fizz and so the PET bottle is now competing with the one-litre non-returnable glass bottles in supermarkets. PET containers tend to be larger 1.5 and 2-litre sizes.

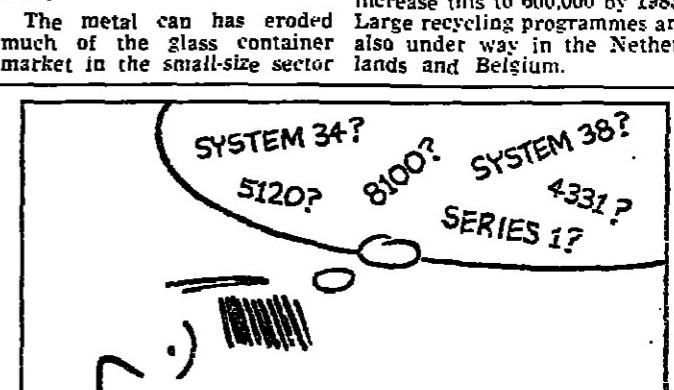
The metal can has eroded the market in the small-size sector

despite the effort of glass manufacturers to retain their market position.

Britain's glass recycling scheme is based on successful ones operating in Switzerland and West Germany for several years. In Switzerland 72,000 tonnes of domestic cullet, representing 11.5 kilograms per head of population, were processed in 1978. More than 48 per cent of the starting material for glass-making is waste glass.

The West Germany glass industry has undertaken to recycle 400,000 tonnes but hopes to recycle 800,000 tonnes in the long term. In 1979 France recycled 300,000 tonnes but will increase this to 600,000 by 1983. Large recycling programmes are also under way in the Netherlands and Belgium.

SYSTEM 34? 5120? 8100? SYSTEM 38? 433? SERIES 1?



## Which IBM Small Business Computer?

25-27 February 1981, London

Confused? The Infotech Industry Briefing Which IBM Small Business Computer? is a unique opportunity for you to get objective, independent, impartial facts — the information you need to be sure of choosing the right system.

If you are investing in a small computer phone us now for further details on

## JOBS COLUMN

# Worldwide freighting • Planning • Banking

BY MICHAEL DIXON

TODAY is the Jobs Column's eighth birthday. But there will be no celebration here. For one thing, there is not enough room for one—the Christmas break has left a queue of job-seekers waiting to be passed on to you. For another, the column's urge to celebrate has been dampened by recruitment consultant Alex Hakim's insistence on always addressing it as "Job's Column."

It is scarcely kind of him to equate this twice-weekly article with that tormented Old Testament character. True, writing and reading a regular newspaper feature may occasionally call for patience; but surely not to the extent to which patience was demanded from Job. Besides, he was compensated for his trouble by the doubling of his previous prosperity. And while I hope some readers will gain materially from this column's ninth year of operation, I'm sure that they—like myself—will have to be content with rather less than that as their reward.

The first opening of 1981 is being offered by Terence Kenny, personnel director of Bowater Europe. The group's new acquisition of the freight-forwarding company Baxter Hoare, he says, is only the latest stage in the development of an international transport and distribution business, which

has been in process for several years.

This business, called Bowater Freight Services, is now composed of half a dozen sizeable companies spread through the European Economic Community and Switzerland, with a particular strength in Germany. These concerns offer their customer-companies the full range of distribution services, including the planning of the best ways of transporting the customers' freight around the world, computerised warehousing, and so on. Taken together, the half dozen concerns employ some 4,000 people.

Mr. Kenny is now in the market to employ another one, at pretty well the highest level in the Freight Services business. The newcomer will join the six-strong headquarters team based in London—Putney to be precise—as commercial manager, with responsibility to the chief executive of the business, John von Spreckelsen.

While the duties of the recruit will involve specialist commercial tasks such as marketing, I'm told that the main emphasis will be on general management of Bowater Europe's freighting network.

"All the companies are doing well individually," Terence Kenny says, "and of course an important part of the job is to see that they go on doing so. But the best prospects for the

growth of this side of the group are seen as lying in developing truly international freight-forwarding linkages, which means that the strategy must be to develop an internationally coherent framework for the transporting companies as a whole."

So a major part of the new commercial manager's responsibility will lie in working with Mr. von Spreckelsen and the two other headquarters managers, who specialise mainly in finance, to evolve the framework required. This will entail making further acquisitions, and acting as members of the Boards of the scattered companies. As a result, the newcomer can expect to spend about two days a week on average working overseas, and will need to be fluent in French or German, or preferably both, as well as in English.

But finding someone with the necessary linguistic skills is not the only difficulty. Mr. Kenny believes, "The freight world here does not seem to produce many executives with the experience and level of management sophistication required." But he also evidently believes that if the person he wants is to be found anywhere, it is among this column's worldwide readership. And I hope he is right.

Besides a record of success in the senior management of an international freight business. An engineering degree followed

particularly concerned with forwarding, candidates will need the ability to work smoothly with the chief executives of some "very strong" continental companies, the Bowater Europe personnel director adds.

While stating that age is immaterial, he does not quote a salary. But my own guess is that, to attract some of the ability required, the group will need to offer £30,000 or so. Inquiries to Terence Kenny at 84 Upper Richmond Road, London SW15 2ST; telephone 01-870 5151.

### Bahrain

THE NEXT recruiter for shaving is the previously complained of Alex Hakim. He is seeking a "senior executive planning officer" to work in Bahrain. The job is to organise and maintain a rolling five-year planning operation for the country's Ministry of Works, Power and Water, covering capital investment in electricity, water, roads, drainage and sewerage, and associated building activities.

Candidates for this job, which has a tax-free salary bracket of £14,800 to £18,600, need at least five years experience in the management of construction projects and a further five in corporate planning with a big organisation, preferably with emphasis on management information and long-term projects. An engineering degree followed

by postgraduate study of management, including operational research, would be helpful.

The contract is initially for two years, and the usually generous expatriate perks include free housing. Inquiries to Mr. Hakim—alias Job's comforter—at A & A Consultants, Princes House, Suite 407, 39 Jersey St., London SW1Y 6DT; Tel. 01-734 9035. Telex 25116.

The remaining jobs today are offered through recruitment consultants who may not name the employer in question. All of them therefore promise to abide by any applicant's request not to be identified to the employing concern until specific permission is given.

### Luxembourg

ROY WEBB of the international division of the Jonathan Wren consultancy wants a syndication manager to work in Luxembourg for a Norwegian bank, and increase its marketing of syndication services to clients not only in the Benelux countries, but also elsewhere in Europe including Scandinavia. The recruit will head a team of three in Luxembourg, and is expected swiftly to develop enough extra business to justify taking on three more.

Candidates need at least five years success in credit management, dealing internationally in

short- and medium-term Euro-currency credits and project financing. A second European language would be a decided advantage.

Salary around £30,000. Inquiries to Mr. Webb at 170 Bishopsgate, London EC2M 4LX; tel. 01-623 1266, telex 21782 ref. 1616.

### The City

ON BEHALF of another international bank, Dudley Edmunds of Robert Half Personnel (UK) is seeking a London-based liabilities manager to work largely alone, in deposit dealing in all the main European currencies, and possibly those of the Far East, for the bank's corporate clients.

An important requirement here, I gather, is a smoothly impressive personality because the recruit will have to be adept at entertaining various eminences in person, as well as charming them over the telephone. Previous experience should also have included success over five or more years in Eurocurrency and dollar deposit dealings. Familiarity with straight foreign exchange dealing would be a help.

The salary will be up to £30,000, with perks of normal City munificence. Inquiries to Mr. Edmunds at Lee House, London Wall, London EC2Y 5AS; tel. 01-606 6771.

# Managing Director

## Confirming and Export Finance House

Successful profitable and strongly capitalised company part of a substantial international finance and trading group, seeks a Managing Director to be based at its City headquarters.

Candidates, probably aged 35-45, must have proven track records at senior level in confirming, banking or allied fields in industry. Attractive remuneration package with usual large company fringe benefits.

Please apply to W.T. Agar at 78, Wigmore Street, WIH 9DQ, demonstrating your relevance briefly but clearly quoting ref. 2126/FT and indicating any companies to whom your replies may not be forwarded.

Both men and women may apply.

## John Courtis and Partners

## The M&G Group Consultant

### The City

27-42

The M&G Group enjoys a unique reputation across the total field of unit trusts, unit-linked assurance, investment bonds, pension funds etc. This reputation has been built up on the highly satisfactory performance of the funds under management over a period of years.

They operate a small but key team of consultants to promote directly to professional financial advisers, insurance brokers etc.

The City area is of vital importance to our client and it is there that they now seek a Consultant to be directly responsible to the Regional Manager. The person sought will have a proven track record with a minimum of two years experience in the unit-linked market.

Remuneration, which is by salary and commission, is geared to results. In the first year it is guaranteed at an absolute minimum of £10,000 but could be very considerably more. Significant further progress should be achieved thereafter. In addition there is a company car and first class benefits.

Please contact, in the first instance, the Company's adviser in this matter, Colin Barry at Overton Shirley and Barry (Management Consultants) Second Floor, Morley House, 26 Holborn Viaduct, London EC1A 2BP. Tel: 01-353 1884.

**Overton Shirley and Barry OSIB**

This advertisement is featured on page 599083 of Prestel

## Chief Accountant

Oman c. £16,000 tax free + car & substantial benefits

We have been retained by the Sultanate of Oman to appoint a Chief Accountant. Duties will include the management and audit of a number of financial accounts, including the budgets of several departments within the Royal household. The work is varied and absorbing and will include involvement in a range of financial activities in advisory and executive capacities.

It is anticipated that a small computer will soon be introduced and candidates should have experience of computerisation.

This position is clearly an unusual one for which special qualities are required. The successful candidate will have frequent contact at senior ministerial levels and a high degree of discretion and tact are prime requirements.

Oman is considered to be one of the most pleasant areas in the Arabian Gulf with excellent social facilities, well suited to social living and a friendly population with a long association with the United Kingdom. For an application telephone 01-236 3561 (24-hour service) or write to Neville Mills, Executive Selection Division, quoting reference 3743/L.

**Peat, Marwick, Mitchell & Co.**

Executive Selection Division, 165 Queen Victoria Street, Blackfriars, London, EC4V 3PD.

## AL SAUDI BANQUE

We are retained by AL SAUDI BANQUE of Paris to recruit a wide range of qualified bank staff for their two new London branches, one of which will be located in the City; the other in the West End.

Some of the current vacancies are listed below and candidates must be prepared to join our client by mid February.

Credit Analyst	£8,500
Letters of Credit Clerk	£6,500
Loans Clerk	£7,000
Position Clerk/Data Input Clerk	£6,500
Cashiers*	£5,500
Accounts Clerks	£6,500
Computer Operator	£6,000
Secretaries	£6,000
Messengers/Chauffeurs*	£6,000

(\*vacancies will be listed in the West End)

The salaries indicated above are open to negotiation and our client offers a particularly attractive benefits package which includes a mortgage facility scheme (2.3%), a performance-related bonus, free BUPA, and Life Assurance cover, LVS (£1 a day), etc.

For further particulars please contact MARK STEVENS—General Manager on 01-588 0781.

Our name is your guarantee of confidentiality.

**BANKING PERSONNEL**

41/42 London Wall, London EC2

Telephone: 01-588 0781

## Accountant

### International Consortium Bank

c. £11,000  
+ Mortgage

Our Client is one of the leading London based consortium banks providing a full range of international banking services. They have an excellent record of expansion and are seeking an Accountant (ACA or ACCA) to join the Financial Control team initially to take charge of the accounting for In-House subsidiaries. This is a responsible position requiring initiative and leadership qualities in addition to technical ability. There are very good prospects for progression.

Ideally you will be in your mid/late twenties and have post-qualification experience in a bank or financial services company—alternatively with a major professional practice.

Remuneration will be negotiated around a basic salary of £10,000-£11,000 and in addition there are the normal banking benefits including subsidised mortgage, non-contributory pension scheme etc.

Please ring or write to David Barton at Overton Shirley and Barry (Management Consultants), Second Floor, Morley House, 26 Holborn Viaduct, London EC1A 2BP. Tel: 01-353 1884.

**Overton Shirley and Barry OSIB**

## BASE ADMINISTRATION MANAGER/ESS —WEST AFRICA

International offshore drilling contractor has vacancy for ADMINISTRATION MANAGER/ESS for one of their drilling operations in West Africa.

The Manager/ess is responsible to the local operations manager for supervision of a small shore based staff involved in billing operating revenues, accounting for local expenditures and the efficient handling of materials and personnel to and from the rig.

Knowledge of French will be preferred.

An attractive foreign service package is available for the individual with the appropriate ability and experience to undertake this interesting opportunity. Reply to Box A7390 Financial Times, Cannon Street, London EC4 4BY.

## Graduates!

### Use your analytical skills Middlesex

£210,000

- \* Have you... at least 4 years 'hands-on' planning/analysis experience? Ideally a graduate in a numerate discipline, aged 25/30 you should also be able to communicate with operational management at all levels.
- \* Could you... develop and maintain sophisticated systems for business planning and analysis to meet the needs of a dynamic high technology service industry?
- \* Do you... want to join an expanding U.S. owned company operating worldwide?

If you are keen to learn more about this unrivalled opportunity, which offers excellent promotional prospects and a comprehensive benefits package please telephone or write to Rebecca Goddard quoting Ref. RG 4406.

**Lloyd Chapman  
Associates**

123 New Bond Street, London W1X 0JZ Tel: 01-580 7781

## Claims Manager

### Reinsurance

£15,000+

One of the largest professional reinsurance undertakings in the western world, now an active international reinsurance, is upgrading its London branch. To enhance the competitive edge of its claims section it needs a capable manager. Existing staff are aware of this advertisement.

This man or woman will report to the assistant general manager of the branch and will establish and monitor systems which will lead to the effective control of claims. Thus substantial experience at branch or company level particularly in marine, aviation and North American reinsurance claims, plus familiarity with automated systems is called for.

Age probably not under 30. The salary indicated is £15,000. The generous benefits include a bonus, Location Management.

Please write in confidence to David Prosser for a job description and application form to Executive Selection Division, Southwark Towers, 32 London Bridge Street, London SE1 9SY quoting MCS/3571.

**PRICE  
Warehouse**

## Young Graduate Lawyer

London

Wendy's International Inc. is probably the fastest-growing fast food chain in the world and has just opened its first restaurant in the West End. Having achieved over 2,000 outlets in 10 years in the U.S.A., it plans 40 outlets in the U.K. and W. Europe by the end of 1981.

The Managing Director has retained us to help him create a young, entrepreneurial and adaptable management team capable of achieving this objective; the current search is for a graduate solicitor or barrister, who

is intended to submit the initial shortlist by Friday, 16th January, interested candidates should immediately send written details, with contact telephone number, by express post to

Peter Wilson, F.C.A., at Management Appointments Limited (Recruitment Consultants), Albemarle House, 1 Albemarle Street, London W1X 3HF. Tel: 01-499 4879.

**Management Appointments Limited**



to £12,000 + car

probably under 30, preferably with some property and negotiating experience.

Initially your major task will be to secure suitable U.K. sites, agree terms and ensure satisfactory completion, in addition to running a small property portfolio. You will also act as advisor to the Managing Director on the plethora of commercial, administrative and legal matters that are bound to arise as the business expands.

Nene College, Northampton

BLACKWOOD HODGE  
MANAGEMENT CENTRE

(No advertisement)

This new purpose-built residential and day centre, currently under construction, will open in autumn on the attractive MOULTON PARK site.

## Investment Analyst Food Manufacturing

Wood, Mackenzie & Co. are members of The Stock Exchange with offices in Edinburgh and London. There is a vacancy in our investment research department, based in Edinburgh, for an analyst to cover the UK food manufacturing sector.

Ideal candidates will have several years' experience in investment analysis either with a stockbroker or investment institution; preference will be given to those with direct experience of the food manufacturing sector. Applications will also be considered from candidates currently employed in the food industry, in areas such as finance or corporate planning.

The successful candidate will be expected to analyse the food industry in depth in order to prepare reports for our institutional clients. The position involves direct contact with a wide range of senior people in both the food industry and investment community. It is a challenging opportunity for someone with the right qualifications to become a leading industry commentator.

Salary is negotiable and fully competitive. The total remuneration includes a profit sharing bonus. The firm operates a contributory pension scheme.

For further details, please contact Ian McLean (Research Partner) at:

Wood, Mackenzie & Co., Erskine House,  
68-73 Queen Street, Edinburgh EH2 4NS.  
Tel: 031-226 4141.



**WOOD, MACKENZIE & CO.**  
MEMBERS OF THE STOCK EXCHANGE



## Bahrain Syndication Manager Circa £12,000 p.a. Tax Free

Owing to increasing demand, there now exists an opportunity to join our successful Loans Syndication Team located in Bahrain.

Candidates for this position should ideally have had at least one year's direct loan syndication experience with a bank active in the Euro-loan market. The position will require the person to handle most aspects of the loan syndication process, both as Lead Manager and Manager or Co-Manager and therefore a thorough knowledge of syndication procedures and practice and a detailed knowledge of loan documentation are essential.

The ideal candidate will be in his mid twenties, and presently a junior member of an established loans syndication team and who is looking to capitalise on experience gained to date and to move into a more visible role.

This position is being offered on a career basis.

Rewards and other benefits will be extremely competitive and are designed to attract candidates of outstanding quality.

Interested candidates should write enclosing c.v. in the first instance to Mrs. M. Lake, Gulf International Bank B.S.C., 8-13 King William Street, London EC4P 4LD.

All applications will be treated in strict confidence.

**Gulf International Bank B.S.C.**

## Managing Director

Private Steel Company

to £20,000 p.a. + car + benefits

Our client is a well known steel manufacturing company in the private sector. It has good up to date plant, and as a result of substantial rationalisation is now a viable operation. A new Managing Director is to be appointed to lead the company in the dynamic environment it has developed.

Candidates, minimum age 30, must have had wide management experience in the steel industry and be enthusiastic team leaders. Administrative ability and a strong commercial awareness are of vital importance and more significant than pure technical knowledge.

The remuneration package is good and future prospects are excellent.

Apply for an application form, quoting reference C.259A, to:  
ERP International Recruitment Ltd., Clemente House, St. Werburgh Street,  
Chester, CH1 2DY. Telephone 0244-317886 (ansafone after 5.00 p.m.)  
Offices in London, Chester, Jeddah, Amsterdam, Brussels, Milan and Paris.



**David Grove Associates**  
Bank Executive Recruitment  
40 Cheapside London EC2V 6AX  
Telephone 01-236 0640

### AUDITOR

A challenging opportunity, in an expanding environment, for an ACA with previous bank audit experience. Vacancy responsibility consists of setting-up and managing a European/Middle East audit section. Our client's specification calls for candidates to have specialist data-processing background. Fluency in French (German an added advantage). Preferred age 30-40.

**ACA (TAXATION OFFICER) c. £13,000**

Excellent opportunity for an ambitious ACA with specialist corporate taxation experience gained with a financial institution. The successful candidate will be responsible for tax planning and compliance with EEC requirements. Knowledge of a European language an added advantage. Age preferred 37-35.

**IN RESPECT OF THE ABOVE APPOINTMENTS PLEASE CONTACT**

**NORMA GIVEN ON 01-248 1858/9**

All banking vacancies carry an attractive range of fringe/mortgage benefits

**£18,000**

## Financial Controller

c. £16,000 + car London

Our client, a professional firm with its main office in London, wishes to appoint a Financial Controller to assume responsibility for the accounting function.

This is a new position, and the successful candidate in addition to managing the accounting function, will be expected to improve the financial controls and make a major contribution to decisions on a new computer system and also assist the partners in a range of financial and special projects. Candidates, men or women, should be qualified accountants with several years' post qualification experience, preferably in a commercial environment. They should be able to supervise staff, make decisions and accept a high level of responsibility.

Starting basic salary will be up to £16,000 depending on age and experience. Other benefits include a car, contributory pension scheme, BUPA and 4½ weeks holiday. Please telephone or write for an application form and detailed job specification quoting ref. 1313 to:



Anne Knell,  
Binders Hamlyn Fry & Co.,  
Management Consultants,  
227/228 Strand,  
London WC2R 1BZ.  
Tel: 01-353 5171.



## Experienced Credit Analysts

Due to continuing business expansion, we wish to recruit a number of experienced Credit Analysts to be based in the Bank's Head Office in Bahrain.

Candidates, aged 26-35, will ideally have had formal credit training possibly with an American Bank. The willingness and ability to train others is considered very important.

These positions are initially on a two-year contract basis but may be renewed by mutual agreement.

Rewards and other benefits offered are extremely competitive and designed to attract candidates of outstanding quality. Interested candidates should write enclosing c.v. in the first instance to:

R. Liddall (AVPI), Gulf International Bank B.S.C.,  
8-15 King William Street, London EC4P 4LD.

All applications will be treated in the strictest confidence.

**Gulf International Bank B.S.C.**

## F. X. DEALER

Min. £15,000 p.a. Equivalent

The successful candidate is likely to be between 25/30 years of age and have a minimum of 5 years experience of spot and forward trading in major currencies.

Applicants should have a thorough understanding of Eurocurrency deposits and related markets. A working knowledge of German and/or French would be an advantage.

Salary will be commensurate with experience but will not be below £15,000 p.a. equivalent in Lux. Francs.

In the first instance applicants should forward their C.V. to the address below.

The General Manager,  
European American Banking Corporation,  
Luxembourg Branch,  
33, Boulevard Prince Henri,  
P.O. Box 723,  
Luxembourg

## DIRECTOR PROPERTY FINANCE

Seymour Adelaide & Co. Ltd. is the leading UK specialist in arranging and advising on finance for the property industry. The company requires an individual with a good financial background and preferably with experience of property finance as a lender or consultant to assist in, and accelerate, the expansion of its activities. The successful applicant will be expected to work on his/her own initiative and it is intended that he/she will ultimately be appointed a director of the company. The appointment carries a substantial salary and profit-sharing package.

Applications, which will be treated in the strictest confidence, should be submitted with full details of past experience to:

The Managing Director,  
SEYMORE ADELAIDE & CO. LTD.  
88 Baker Street, London W1M 1DL

## PORTFOLIO ANALYSIS

A major firm of City Stockbrokers wishes to fill a senior position to carry out analysis of portfolios for pension and other funds. The post could be of particular interest of someone already involved in the investment of institutional monies.

To be successful the candidate will need to be numerate and an initiator of ideas. Familiarity with computers would be an advantage. A competitive and attractive salary and profit-sharing package is offered, together with non-contributory pension and life cover.

In the first instance, please send detailed curriculum vitae to:  
Box A.7391, Financial Times  
10 Cannon Street, EC4P 4BY

## Group Financial Controller

Mayfair, W1.

c. £15,000 + car + bonus

Unlike much of British industry today, this successful private company sees no cause for pessimism and is confident of sustaining its uninterrupted growth of the last 6 years. The company specialises in building refurbishment and renovation and has other diverse interests. Turnover is approaching £30 million.

This is a newly created position where you will be responsible to the Group Finance Director for all accounting, financial reporting and cash management and will assist in acquisition appraisals, profitability studies and tax planning.

The position calls for a Qualified Accountant, aged around 35, with extensive financial control experience ideally in the construction industry. There is an excellent remuneration package and prospects are first class for someone who would enjoy a wide variety of responsibilities with active participation in the development of the business.

Please send concise personal, career and salary details, or apply for an application form, quoting ref. AC599 to:

W.S. Gilliland,  
Thornton Baker Personnel Services Limited,  
Fairfax House, Fulwood Place, London, WC1V 6DW.  
Telephone: 01-405 8422.

A member of the Management Consultants Association.



## Controller Accounting, Finance, Administration

London SE1

Around £11,000+fully-expensed car

This is a new position with the UK subsidiary of a leading international group specialising in security systems and equipment. Worldwide turnover is in the region of £100 million, whereas the British company is small - currently employing about 20, in its comparatively early stages of development but has plans to open additional country-wide outlets in the short/medium term.

The specific need is for an individual attracted by the independent, all-round involvement and potential offered by a small company situation. The Controller will have immediate full

Most probably 23-35, the person appointed will hold a recognised accounting qualification with current experience in either the profession, commerce, or industry.

Please reply in confidence, quoting Ref. 1106, giving concise personal, career and salary details, to R. G. Billen, Executive & Management Link Limited, 110 St. Martins Lane, London, WC2N 4BH.



**Executive & Management  
Link Ltd**

Recruitment Consultants  
A member of the Lister Group

## Financial Controller

West End

c. £17,500 plus car

For a small but soundly-backed private company trading internationally, which has the resources to expand considerably through diversification. A financial controller is sought who, after a year in West Africa, gaining familiarity with the company's business and its main customers there, will be responsible with a small staff to the chief executive for all aspects of the company's finances. Suitable applicants, male or female, will be chartered accountants aged 30-35, who have had experience with an international professional firm and have the ability, after the training period, to negotiate contracts with overseas customers and carry out diversification studies. A working knowledge of French would be an advantage. Salary need not be a limiting factor and the prospects are excellent.

For an application form telephone 01-236 3561 (24 hour service), or write to M. J. H. Coney, quoting reference L100-L.



Peat, Marwick, Mitchell & Co.

Executive Selection Division, 165 Queen Victoria Street, Blackfriars, London, EC4V 4EE.

## Jonathan Wren - Banking Appointments

The personnel consultancy division of

### INTERNATIONAL INVESTMENT:

Bond Fund Manager ..... c. £20,000

INVESTMENT MANAGER (Gifts experience) ..... c. £12,000

LENDING: Senior Area Manager ..... c. £20,000

LENDING (U.K.): graduate, with previous U.S. bank credit training ..... c. £10,000

ENERGY LENDING: graduate, with previous energy-related lending experience ..... £9-11,000

CREDIT ANALYST, fluent in Spanish ..... to £10,000

CREDIT ANALYST - based Reading, Berks ..... £7-9,000

LOAN ADMINISTRATION: Dept. Head ..... to £12,000

CLEARING BANKERS (Ch. Securities/Asst. Managers) ..... £7-10,000

CORPORATE FINANCE (A.C.A./Solicitor) ..... c. £10,000

AUDITOR (A.C.A.) ..... c. £10,000

F.X. DEALER, fluent in Portuguese ..... £13-15,000

EQUITY SETTLEMENTS MANAGER (experienced N. American settlements) ..... £8-11,000

BAHRAYN: Junior F.X. Dealer ..... £30,000 + bens

LUXEMBOURG: Supervisor, Bond/Equity Settlements ..... £16,000

MUNICH: Assistant Accountant ..... Negotiable

PARIS: Eurobord Dealer ..... FF130,000

For details, please contact Brian Gooch or Roy Webb

First floor entrance New Street  
170 Bishopsgate London EC2M 4LX Tel: 01-531 2166

# Financial Director

Home Counties  
c. £18,000 p.a.

JOSLYNE LAYTON-BENNETT LTD.

Management Consultants

This is a new appointment with a successful private company, a leader in its own field, engaged in the design, manufacture and world wide sales of high precision specialised machine tools. The position requires a professionally qualified executive with significant line financial management and accounting experience in the engineering industry, including the responsibility for financial planning and control, investment evaluation and the development of computerised management information systems. Applicants must demonstrate involvement in general policy determination at Board level and the ability to contribute effectively to the overall development of the business. The skill to communicate easily with colleagues and to control and direct staff in an informal working environment is essential.

The successful candidate will currently be earning in excess of £14,000 p.a. as the head of the financial function in a medium sized company or number two in a larger organisation. The benefits will include a contributory pension scheme and free sickness and accident scheme.

Applicants should send details of their qualifications and experience in confidence quoting reference RGM 35 to R. G. Mitchell at:

JOSLYNE LAYTON-BENNETT LTD.  
Management Consultants  
Metropolis House, 3945 Tottenham Court Road, London W1P 0JL

## LONDON BOROUGH OF SOUTHWARK

### FINANCIAL SYSTEMS OFFICER

£9,150 - £9,642 inc.

Required to investigate and report on the Department's financial systems and resources in technical and operational terms in order to facilitate the better control of financial resources.

The appointee should have experience of computer systems and the ability to motivate staff (A.P.F. 3) and bring an exciting and innovative approach to his work.

These advertisements appear with the agreement of the London Housing Staff Advisory Committee.

In application form or write to a postcard to: The Personnel Officer, 27 Peckham Road, London SE15 7RA and fax to: 01-701 2870 any time for a telephone interview.

Closing date: 22.1.81.

## U.K. EQUITY SALES - EUROPE

up to £15,000 including bonus

A major firm of City stockbrokers will shortly appoint a salesman/veteran to join an established team. Particular responsibilities will include servicing major European financial institutions.

The ideal candidate will have the following profile:

- ★ Experience of selling U.K. equities to European institutions.
- ★ Ability to understand and interpret sophisticated and comprehensive research material.
- ★ Articulate and enthusiastic, with an intellectual ability to discuss investment ideas in an exciting and high level.

The position offers a first-class career with a firm which is a leading name within the investment world.

An attractive salary is offered, plus bonus.

Please apply to: Jock Coutts.

Chichester House, Chichester Rents, London WC2A 1EG. Tel: 01-242 5775.

**Career plan**  
LIMITED

PERSOONNEL CONSULTANTS

## DUBAI

Systems Accountant

International Banking  
to £20,000+benefits

A Middle East based bank with an expanding international network, providing a full range of banking services, requires a systems development accountant.

Reporting to the Chief Accountant, the task is to assist in the development and implementation of computerised on-line banking systems. The challenge is to ensure user needs are satisfied, controls adequate and information systems respond to the Bank's ambitious plans.

Candidates must be qualified accountants and in their late twenties. Experience must include several years in international banking with at least two spent in the design and implementation of computerised systems. A determined personality and developed inter-personal skills are essential.

A negotiable remuneration package is offered including substantial benefits. The initial contract is for 2/3 years.

Applications, which will be treated in strict confidence, should contain relevant details of career and salary progression, age, education and qualifications.

Please write to: Geoffrey Thiel, quoting reference 954/FT on both envelope and letter.

**Deloitte Haskins + Sells**

Management Consultants

128 Queen Victoria Street, London EC4P 4JX

## Finance Director (Designate)

This is a near-unique opportunity in a medium-sized company (turnover £4m. p.a.) engaged in a service industry, to succeed a senior member of the successful management team who is approaching retirement. The company has a high reputation in its field and operates several establishments throughout the UK.

The appointed candidate will understudy the present incumbent and in due course assume full responsibility for the financial, administrative and company secretarial functions, aided by appropriate staff. An early capital restructuring is envisaged.

Candidates, aged mid 30's to mid 40's should be qualified accountants or possess broadly related academic or professional qualifications, e.g. BCom, MBA, etc. They must have mature experience of the role, gained in companies with similar characteristics; reporting to strict deadlines, multi-site operations. Small-medium company experience essential.

Starting salary c. £16,000 possibly higher; car and usual benefits.

Location, Hounslow.

Please send full c.v. with salary data - in confidence - to S. W. J. Simpson ref. B.38352.

This appointment is open to men and women.

**MSL**  
Management Selection Limited  
International Management Consultants  
52 Grosvenor Gardens London SW1W 0AW

## Group Financial Controller

c. £16,500+car

The international headquarters of this long established company are about to return to London SW1. Their business is trading - both industrial and home study - and they operate in 11 countries. In each they are the leaders in their field. All operations are profitable.

Their requirement is for a qualified accountant to provide financial advice to the Chairman, to develop the financial operations of the group internationally, and to assume responsibility for corporate secretarial and legal functions.

The selected candidate will work closely with senior management and must have sound broadly-based financial expertise and strong verbal and written communication skills. Because this position functions as the natural liaison between corporate office and the subsidiaries on financial matters the incumbent must have an understanding of systems, taxation, treasury and planning. Preferably this will have been acquired either working abroad or controlling overseas operations.

Age in the 30's. Salary negotiable around £16,500 plus car and performance related bonus.

Please write in confidence for a job description and an application form to David Prosser, Executive Selection Division, Southwark Towers, 32 London Bridge St., London SE1 9SY quoting MCS/8874.

**Price Waterhouse**  
Associates

## CHIEF DEALER

Age: 30-40

This key role within the new London branch of a major European Bank calls for a dealer of superior ability and reputation, whose background should embrace at least five years profitable activity at Chief/Senior Dealer level with prime market names. The benefits package reflects the singular importance of this position and includes mortgage assistance (to 5%), and a company car.

If you wish to be considered for the above positions please contact:

MARK STEVENS, General Manager.

Our name is your guarantee of confidentiality.

If you have already made the transition from a straight forward foreign exchange dealing role to a more client-based advisory position, or you feel capable of making such a move, your background may well be of interest to our client, a major international bank with a proven record of success in the Corporate dealing sector. Career prospects are excellent and fringe benefits are of the highest order.

**BANKING PERSONNEL**  
4/42 London Wall, London EC2. Telephone: 01-588 0781  
(RECRUITMENT CONSULTANTS)

£ Market Rate

c. £14,000

Age: 27-30

If you are considering a move to a more client-based advisory position, or you feel capable of making such a move, your background may well be of interest to our client, a major international bank with a proven record of success in the Corporate dealing sector. Career prospects are excellent and fringe benefits are of the highest order.

If you wish to be considered for the above positions please contact:

MARK STEVENS, General Manager.

Our name is your guarantee of confidentiality.

If you have already made the transition from a straight forward foreign exchange dealing role to a more client-based advisory position, or you feel capable of making such a move, your background may well be of interest to our client, a major international bank with a proven record of success in the Corporate dealing sector. Career prospects are excellent and fringe benefits are of the highest order.

If you wish to be considered for the above positions please contact:

MARK STEVENS, General Manager.

Our name is your guarantee of confidentiality.

If you have already made the transition from a straight forward foreign exchange dealing role to a more client-based advisory position, or you feel capable of making such a move, your background may well be of interest to our client, a major international bank with a proven record of success in the Corporate dealing sector. Career prospects are excellent and fringe benefits are of the highest order.

If you wish to be considered for the above positions please contact:

MARK STEVENS, General Manager.

Our name is your guarantee of confidentiality.

If you have already made the transition from a straight forward foreign exchange dealing role to a more client-based advisory position, or you feel capable of making such a move, your background may well be of interest to our client, a major international bank with a proven record of success in the Corporate dealing sector. Career prospects are excellent and fringe benefits are of the highest order.

If you wish to be considered for the above positions please contact:

MARK STEVENS, General Manager.

Our name is your guarantee of confidentiality.

If you have already made the transition from a straight forward foreign exchange dealing role to a more client-based advisory position, or you feel capable of making such a move, your background may well be of interest to our client, a major international bank with a proven record of success in the Corporate dealing sector. Career prospects are excellent and fringe benefits are of the highest order.

If you wish to be considered for the above positions please contact:

MARK STEVENS, General Manager.

Our name is your guarantee of confidentiality.

If you have already made the transition from a straight forward foreign exchange dealing role to a more client-based advisory position, or you feel capable of making such a move, your background may well be of interest to our client, a major international bank with a proven record of success in the Corporate dealing sector. Career prospects are excellent and fringe benefits are of the highest order.

If you wish to be considered for the above positions please contact:

MARK STEVENS, General Manager.

Our name is your guarantee of confidentiality.

If you have already made the transition from a straight forward foreign exchange dealing role to a more client-based advisory position, or you feel capable of making such a move, your background may well be of interest to our client, a major international bank with a proven record of success in the Corporate dealing sector. Career prospects are excellent and fringe benefits are of the highest order.

If you wish to be considered for the above positions please contact:

MARK STEVENS, General Manager.

Our name is your guarantee of confidentiality.

If you have already made the transition from a straight forward foreign exchange dealing role to a more client-based advisory position, or you feel capable of making such a move, your background may well be of interest to our client, a major international bank with a proven record of success in the Corporate dealing sector. Career prospects are excellent and fringe benefits are of the highest order.

If you wish to be considered for the above positions please contact:

MARK STEVENS, General Manager.

Our name is your guarantee of confidentiality.

If you have already made the transition from a straight forward foreign exchange dealing role to a more client-based advisory position, or you feel capable of making such a move, your background may well be of interest to our client, a major international bank with a proven record of success in the Corporate dealing sector. Career prospects are excellent and fringe benefits are of the highest order.

If you wish to be considered for the above positions please contact:

MARK STEVENS, General Manager.

Our name is your guarantee of confidentiality.

If you have already made the transition from a straight forward foreign exchange dealing role to a more client-based advisory position, or you feel capable of making such a move, your background may well be of interest to our client, a major international bank with a proven record of success in the Corporate dealing sector. Career prospects are excellent and fringe benefits are of the highest order.

If you wish to be considered for the above positions please contact:

MARK STEVENS, General Manager.

Our name is your guarantee of confidentiality.

If you have already made the transition from a straight forward foreign exchange dealing role to a more client-based advisory position, or you feel capable of making such a move, your background may well be of interest to our client, a major international bank with a proven record of success in the Corporate dealing sector. Career prospects are excellent and fringe benefits are of the highest order.

If you wish to be considered for the above positions please contact:

MARK STEVENS, General Manager.

Our name is your guarantee of confidentiality.

If you have already made the transition from a straight forward foreign exchange dealing role to a more client-based advisory position, or you feel capable of making such a move, your background may well be of interest to our client, a major international bank with a proven record of success in the Corporate dealing sector. Career prospects are excellent and fringe benefits are of the highest order.

If you wish to be considered for the above positions please contact:

MARK STEVENS, General Manager.

Our name is your guarantee of confidentiality.

If you have already made the transition from a straight forward foreign exchange dealing role to a more client-based advisory position, or you feel capable of making such a move, your background may well be of interest to our client, a major international bank with a proven record of success in the Corporate dealing sector. Career prospects are excellent and fringe benefits are of the highest order.

If you wish to be considered for the above positions please contact:

MARK STEVENS, General Manager.

Our name is your guarantee of confidentiality.

If you have already made the transition from a straight forward foreign exchange dealing role to a more client-based advisory position, or you feel capable of making such a move, your background may well be of interest to our client, a major international bank with a proven record of success in the Corporate dealing sector. Career prospects are excellent and fringe benefits are of the highest order.

If you wish to be considered for the above positions please contact:

MARK STEVENS, General Manager.

Our name is your guarantee of confidentiality.

If you have already made the transition from a straight forward foreign exchange dealing role to a more client-based advisory position, or you feel capable of making such a move, your background may well be of interest to our client, a major international bank with a proven record of success in the Corporate dealing sector. Career prospects are excellent and fringe benefits are of the highest order.

If you wish to be considered for the above positions please contact:

MARK STEVENS, General Manager.

Our name is your guarantee of confidentiality.

If you have already made the transition from a straight forward foreign exchange dealing role to a more client-based advisory position, or you feel capable of making such a move, your background may well be of interest to our client, a major international bank with a proven record of success in the Corporate dealing sector. Career prospects are excellent and fringe benefits are of the highest order.

If you wish to be considered for the above positions please contact:

MARK STEVENS, General Manager.

Our name is your guarantee of confidentiality.

If you have already made the transition from

# Investment Management

Kleinwort, Benson Limited requires experienced investment managers to join its expanding international and UK Pension Funds Department.

Successful candidates must have had several years' experience of mixed portfolio investment.

Competitive salaries will be paid according to the experience and abilities of the successful applicants.

Applicants, male or female, should write with details of their careers to date to:

P.F.G. Barnes,  
Assistant Director, Personnel,  
Kleinwort, Benson Limited,  
20 Fenchurch Street,  
London EC3P 3DB.

**KLEINWORT BENSON**  
Merchant Bankers

# Controller

Around £13,500+fully expensed car  
North Hampshire

The company has several market leaders in its range of consumer goods and many of its products are household names. The UK operation is one of the most successful parts of the group (which is US based) with a turnover currently running in excess of \$20m.

This is a newly created position which will take full responsibility for accounting and finance in the UK and which has some 20 staff. Systems are computerised on inhouse equipment incorporating VDUs.

We are seeking an individual whose post-qualification experience includes some exposure to US reporting techniques and requirements and who is attracted to a fast moving, expanding environment. Age—most probably early 30s.

Please reply in confidence, quoting Ref. 1107/FT giving concise personal, career and salary details, to R. G. Billen, EML Limited, 110 St. Martins Lane, London WC2N 4BH.

**EML**  
Executive & Management  
Link Ltd  
Recruitment Consultants  
A member of the Lopex Group

# Reed Executive

The Country's most successful Recruitment Service

## Accounting Supervisor

Paris Based

This U.S. Industrial group is engaged in energy related projects and has its European headquarters in Paris, with its major activities located in Algeria. As Algerian accounting support Group Supervisor you will be responsible for the setting up and running of a group which coordinates the accounting activities between Algeria and Paris, as well as procedure and systems development, camp accounting and manpower planning. A finalist or recently qualified accountant, preferably in a multi-national, you should be bilingual, analytical, capable of constructing systems and able to interface with upper management. Frequent visits to Algeria will be necessary.

Telephone: 01-836 1707 (24 hr. service) quoting Ref. 0983/FT. Reed Executive Selection Limited, 55/56, St. Martin's Lane, London, WC2N 4EA.

The above vacancy is open to both male and female candidates.  
London Birmingham Manchester Leeds

# Accounting Manager (Controller Potential)

Berkshire

c £13,000 + Profit Share

At the forefront of electronic measurement and computation technology, Hewlett-Packard is a large and growing company with U.K. sales in excess of £100 million. We recognise the critical importance of the financial function and are committed to the development of this area. Planned new experience for the present incumbent results in a need to recruit to the key position of Financial Accounting Manager. Reporting to the Financial Controller, responsibilities include the full range of financial accounting for three divisions, systems development and reporting to management. Staff currently number 25, with additional budgeted.

For this challenging position we would like to hear from qualified accountants who possess broad accountancy experience gained in an industrial or commercial environment. Experience of sophisticated computerised systems is important.

The successful person, male or female, will take over an experienced professional team and will need to demonstrate ability to manage and manage. He/she must have the potential for Controller-wide responsibilities in the medium rather than long term. The remuneration package includes a salary in a range with a mid-point of £13,000 p.a., two yearly profit share, Christmas bonus, stock purchase plan, non-contributory pension and subsidised medical scheme and canteen. Location is at our Winnersh office near Wokingham. Relocation assistance will be offered where appropriate.

If you have the required combination of professional know-how and management ability write now with brief career details to Maureen Rowley, Personnel Administrator, Hewlett-Packard Ltd, King Street Lane, Winnersh, Wokingham, Berks. RG11 5AR.



**HEWLETT  
PACKARD**

## Chief accountant

London, c£15,000+car+benefits

For a quoted and well established property company engaged principally in the acquisition and development of properties for investment.

Reporting to the Managing Director you will be responsible for accounting, taxation and cash management, and be a member of the executive team.

You should have several years' post qualification experience in commerce or the profession. Previous experience in property would be helpful, but flexibility and a commercial approach are equally important.

Benefits are attractive and include a mortgage assistance scheme and non-contributory pension.

Resumes including a daytime telephone number to EH Simpson, Executive Selection Division, Ref. SF691



**Coopers  
& Lybrand  
associates**

Coopers & Lybrand Associates Limited  
management consultants

Shelley House, Noble Street  
London EC2V 7DQ

## DOCUMENTATIONS MANAGER for a leading Gulf Bank

A leading Arab bank located in the Gulf invites applications from qualified professionals to be responsible for the bank's documentation work (legal documents, information memoranda, etc.) relating to its loan syndication activity for both sovereign risk and corporate borrowers as well as project financing.

The position is based at the bank's headquarters in the Gulf.

The successful candidate will have a legal background and training in economics or finance and must have at least five years' experience in this field. Fluency in English is essential.

The remuneration package is attractive and depends on individual's qualifications.

Applications, including curriculum vitae, should be addressed in confidence to

Box A7393, Financial Times, 10 Cannon St., EC4P 4BT

# International Banking

## Middle East

Our client, an expanding International Commercial Bank, has a newly-created opening for a Stock and Bond Market Manager.

Your task will be to establish the operation on a professional basis, handling some substantial Bond portfolios, and dealing with high net worth individual clients. You will also be involved in the valuation of funding alternatives, and systems/performance reports.

Please write in complete confidence, enclosing a suitably detailed curriculum vitae to:

**ANTHONY NEVILLE INTERNATIONAL**  
The Hague Dubai Singapore Hong Kong Tokyo Los Angeles Cape Town  
Ash House, Churt, Farnham, Surrey GU10 2NU  
Headley Down (0428) 712313/714493.

**EVANS EMPLOYMENT AGENCY LTD.**  
formerly of 15 Copthall Avenue, EC2 have moved to:  
27g THROGMORTON STREET EC2N 2AN  
(opposite the Stock Exchange)  
Where we will continue to specialise in the  
STOCKBROKING & BANKING APPOINTMENTS  
TEL. 01 628 0985  
Mrs. P. Dudley — Miss S. Beevor

## Civil Service Catering Organisation

# Chief Executive

£20,170

The Civil Service Catering Organisation (CISCO) offers civil servants a nationwide catering service designed to combine the most economical use of resources with the best possible value for money.

The Chief Executive is responsible for catering policy, the creation and maintenance of high standards and the financial viability of the organisation. Supported by a team of directors (who cover the areas of personnel management, accounts, operations, sales and marketing, and supplies and services), the Chief Executive controls the line management of 1,750 staff in 200 restaurants operated by CISCO, advises on 400 independently managed restaurants, monitors catering arrangements in courts, museums and parks and advises the Property Services Agency on all matters relating to catering building, installations and equipment.

Although formal qualifications are not required, candidates must have comprehensive knowledge of modern catering developments, sound business and financial skills and the ability to motivate staff. Wide experience of the economics and technology of catering on a large scale, multiple operation would be an advantage. Preferred age will be under 55.

The appointment will be based in either Basingstoke or London and carries a salary of £20,170 plus £1,016 weighting allowance if London based. The successful candidate will be expected to take up appointment on 1 April 1981 or as soon as possible thereafter.

Please further details and an application form (to be returned by 30 January 1981) write to Civil Service Commission, Alencon Link, Basingstoke, Hants RG21 1JB, or telephone Basingstoke (0256) 68551 (answering service operates outside office hours). Please quote ref. G/5500/3.

# ICCH

## Assistant Company Secretary with International Commodities Clearing House Ltd

This unique City company which provides a clearing and guaranteeing service to the commodity markets has established a pre-eminent position in the field of international commerce. The company is expanding both in the UK and overseas.

This is a new appointment, with tremendous scope for the future, at home and possibly abroad. As Assistant Company Secretary you will be involved in many facets of the business and will immediately become Company Secretary to the Group's major UK subsidiary.

Probably in your late 20's or early 30's, you must be qualified and experienced in Company Secretarial work. Salary £11,000-£12,000. There are extremely good fringe benefits including an immediate mortgage subsidy and a non-contributory pension. Location, City of London.

Please write in strict confidence, quoting ref 470, or telephone for an application form, to D.B. Atkins, Director.



Alliance Management Consultants Ltd  
15 Borough High Street, London SE1 9SH  
Tel: 01-403 0894

**Alliance**  
Management Search Division

# Senior Tax Accountant

c.£11,500+ car

Our client is a leading UK based construction group with interests worldwide ranging from civil engineering to housing, mining and concrete products.

The position of Senior Tax Accountant offers genuine scope for a suitably qualified person to gain valuable experience in both UK and international taxation matters.

Reporting to the Taxation Manager, the successful applicant will join a small department responsible for all taxation matters affecting the Group, including UK compliance work and non-UK taxation systems. The post calls for a flexible and

innovative approach, combined with good communications skills as the person appointed will be expected, inter alia, to act in an advisory capacity in relation to taxation affecting overseas contracting and ex-patriate employees.

In return our client offers a very attractive salary, company car, and a top class range of benefits commensurate with the seniority of the position, including help towards relocation costs if required.

Qualified men or women are invited to send full career details to Position Number ASS 8098, Austin Knight Limited, London W1A 1DS.

Applications are forwarded to the client concerned, therefore companies in which you are not interested should be listed in a covering letter to the Position Number Supervisor.

**Austin  
Knight  
Advertising**



# Hoggett Bowers

Executive Selection Consultants  
BIRMINGHAM, CARDIFF, GLASGOW, LEEDS, LONDON, MANCHESTER, NEWCASTLE, NOTTINGHAM and SHEFFIELD  
**Young Commercial Lawyer**

**North East. c.£14,000 + car**

Our client is a sizeable and profitable division of a leading British Engineering Group, a major proportion of whose business is international. This new position in the company reports to the Commercial Director and will advise on a broad range of matters including multi-million pound contracts with world-wide customers and consortia. He or she will play a key role in negotiations at all stages and levels. Overseas travel will be necessary. Candidates, qualified and aged 30-35, must have well developed commercial skills and the ability to prepare legal agreements under pressure and without supervision. Experience must include a relevant industry in an international environment. Promotion, on a good performance, is assured. The fringe benefits are excellent.

Mrs. J.M. Brown, Ref: 1922/FT. Male or female candidates should telephone for a Personal History Form 01-734 6852.  
Sutherland House, 5/6 Argyle Street, LONDON, W1E 8EZ.

# E Reed Executive

The Country's most successful Recruitment Service

## Corporate Tax Analyst

Paris Based

A rare opportunity has arisen for a young French speaking Accountant or Business graduate with corporate tax experience to join the Paris office of a U.S. industrial group engaged in energy related projects. Reporting to the Tax Manager you will assist him with all aspects of corporate tax including the preparation of returns, reports and plans. Some travel to the United States and Algeria will be required. In your twenties you must have experience of U.S. and preferably French corporate tax systems and be keen to extend your knowledge, including gaining exposure to Algerian systems, within a large company environment.

Telephone: 01-836 1707 (24 hr. service) quoting Ref. 0982/FT. Reed Executive Selection Limited, 55/56 St Martin's Lane, London, WC2N 4EA.

The above vacancy is open to both male and female candidates  
London, Birmingham, Manchester, Leeds

## Investment Management - Scotland

### Investment Management - Scotland

At Murray Johnstone, we are broadening the range of funds for which we provide investment advice and management services. We manage investment trusts, pension and offshore funds, and unit trusts.

Our expansion means that we now need men or women for the following positions:-

#### Investment executive

Your main responsibility will be to assist in the acquisition of shares in unlisted companies. You should preferably be a qualified accountant or solicitor, and have some experience in UK tax and investigative work.

#### Assistant Investment Manager

You will gradually assume broader responsibility for investment decisions and should have two to three years investment experience.

#### Trainee

You would receive two years training and experience in all aspects of investment management with a view to eventual promotion to fund management responsibilities. You should have a good university degree or equivalent professional qualification.

Please write with full details to: J. Raymond Johnstone, Managing Director, Murray Johnstone Limited, 163 Hope Street, Glasgow G2 2UH.

 **Murray Johnstone**

## Finance Director

for a long-established public company of food retailers operating throughout the North-East of England. Turnover is in excess of £90m.

- THE ROLE is to direct the financial side of the business with emphasis on corporate financial planning, and to develop the group's control systems to complement the computer based operating systems.

- A PROFESSIONALLY QUALIFIED ACCOUNTANT is required with a record of attainment at or near Board level in the control of management and financial accounting. Main experience will almost certainly have centred on consumer products.

- PREFERRED AGE BRACKET 35/45. Salary is for discussion over £20,000.

Write in complete confidence  
to G.W. Elms as adviser to the company:

**TYZACK & PARTNERS LTD**  
MANAGEMENT CONSULTANTS  
10 HALLAM STREET and LONDON WIN 6DJ  
22 AINSLEY PLACE and EDINBURGH EH3 6AJ

## Internal Audit

An international bank in the City is now seeking an internal audit manager, male or female, to assume responsibility for its internal audit department.

The successful candidate will be a mature person who has obtained a broad banking background and is currently carrying out audit duties in a bank, preferably in an international context. Good experience of auditing computer systems is necessary and a recognised qualification would be advantageous.

The commencing salary will reflect the seniority of the position and other benefits are competitive for City banks, including profit-sharing.

Applications will be treated in strict confidence. Please write initially detailing age, experience, qualifications and present salary to Mr. E. Cotter.

**GSP**  
Golley Slater and Partners Limited  
42 Drury Lane, London WC2B 5RN.

## ACCOUNT OFFICERS

c.£18,000 Tax Free • Saudi Arabia

to join multinational teams in Jeddah and Riyadh. Dealing largely with the expatriate business communities, the Officers will have the rewarding task of developing credit finance business in a situation where money supply and opportunities, are relatively unrestricted.

Preferably married and aged over 28, candidates should have several years experience in banking, specialising in

**Bull Holmes**  
PERSONNEL ADVISERS

the management and promotion of credit facilities to the corporate sector. Salaries are negotiable around £18,000, and benefits include free furnished housing, car twice yearly "home" leave, school fees and children's air travel, and comprehensive medical cover.

Please send brief details, in confidence, to  
A. R. Duncan at Bull Holmes (Management) Ltd., 45 Albemarle St, London, WIX 3FE, quoting ref. 209.

## Manager - Corporate Finance

c.£15,000 + Car + Mortgage Subsidy + Benefits  
-Peterborough

The Thomas Cook Group, a subsidiary of the Midland Bank, operate retail travel branches, holiday packages, travellers cheques and foreign exchange businesses on a worldwide basis. The Group has ambitious but realistic plans for expansion and a vacancy has arisen for this senior appointment within the Finance Division in Peterborough.

The Manager will be responsible for a small qualified team undertaking a wide range of assignments for the Board and Senior Executives. These include acquisition studies, financial evaluation of investment proposals and reviewing corporate structures and capitalisation. Close liaison will be maintained with the Group's professional advisors on financial, legal and taxation aspects.

The function covers the worldwide operation of the Group and some overseas travel may be anticipated. Applicants, male or female, probably aged 32-37 should have an accounting qualification together with a strong financial background and accounting line management experience.

Candidates with a legal qualification but with strong financial

background will also be considered. The position offers considerable opportunities for progression within the Group.

The remuneration package will include a comprehensive range of benefits and substantial assistance will be given towards relocation expenses.

Please write supplying details of career and present salary to: Mr. J. R. Honour, Personnel Manager, Financial Services Division, The Thomas Cook Group Limited, P.O. Box 35, Thorpe Wood, Peterborough PE3 6SA.

**Thomas Cook**

## ACCOUNTANT

### LIFE ASSURANCE

### CITY

Not less than £10,000 p.a.

We are a growing Mutual Life Assurance Company situated in the City and we require a qualified Accountant to fill a vacancy in our accounts area.

The successful applicant would be 25 years plus and interested in developing new and improving existing financial accounting systems. This is a line management position requiring the ability to control a staff of 15-20.

In addition to a competitive salary there are the usual attractive fringe benefits associated with the Life Assurance industry.

Write, enclosing C.V. to:-  
M. J. Cummings,  
Personnel Manager,  
National Mutual Life  
Association of Australasia Ltd.,  
Austral House,  
Basinghall Avenue,  
London EC2V 5EP.



## Henry Cooke, Lumsden & Co.

### Foreign Department

Henry Cooke, Lumsden & Co. wish to appoint an Investment Manager for their Foreign Department, located at the Head Office in Manchester.

This is a senior position in an expanding Department that formulates investment policy and negotiates business in overseas markets for the firm's clients.

The job would appeal to someone with experience in overseas markets who is looking for a new challenge calling for responsibility and initiative in a growth area of the firm's business.

Please apply in writing to:

D. A. Pitt  
HENRY COOKE, LUMSDEN & CO.  
P.O. Box 368, Arkwright House, Parsonage Gardens,  
Manchester M16 3AH

## INTERNATIONAL BANKING OPPORTUNITIES

There will not be too many genuinely progressive career opportunities in 1981 . . . nor will they be too easy to find . . . but those that do arise should be well worth pursuing as they will occur only in the genuinely active and progressive banks in the City.

We have been asked by a small number of such banks to help find experienced young bankers appropriate to their expansion plans, covering most operational and lending areas.

To arrange a confidential discussion of your own particular career objectives, please telephone either:  
Ann Costello or John Chiverton A.I.B.

JOHN  
CHIVERTON  
ASSOCIATES LTD.

31 BROMPTON ROAD  
LONDON SW1  
01-580 5861

## Corporate Audit Manager

Continental Europe

Excellent  
Salary Package

This challenging position has arisen due to promotion within a two billion U.S. multinational corporation.

Reporting to the world-wide Audit Director and managing a team of approximately 8 Corporate Auditors, responsibility will be for:

Financial and operational audits of all aspects of the corporation's activities. There will be approximately 40% travel to operational units located principally in continental Europe.

Promotional opportunities to senior financial management are envisaged. Candidates should preferably be bilingual Chartered Accountants familiar with various countries business practices with experience gained within a top professional practice or corporate audit function.

Salary package is negotiable and will be dependent upon experience. Please telephone or write in confidence to Michael J. R. Chapman quoting reference 4506.

**Lloyd Chapman  
Associates**

123 New Bond Street, London W1Y 0HR 01-499 7761

## Creative Accounting

c.£10,500

An established British group with home and overseas interests seeks a young qualified accountant (preferably a graduate) to join its small central team responsible for interpreting group information and advising on all financial aspects of its operations.

This is an exceptional opportunity to gain varied experience in such fields as acquisition appraisal, profitability studies, efficiency reviews, inflation accounting and special reports for board presentation - all for specific purposes with a minimum of routine.

Excellent promotion opportunities will arise through working closely with senior management of all disciplines, both at holding company and subsidiary level.

Contact David Tod, B.Sc. FCA on 01-405 3499

quoting reference DT/421/CAF.

## Lloyd Management

Recruitment Consultants

125 High Holborn London WC1V 6QA

01-405 3499

### CURRENCY MANAGEMENT - MIDDLE EAST

\$20,000 Tax Free

Our client, a substantial investment house, will shortly increase their money management staff by appointing a Currency Manager whose responsibilities will include examining international liabilities on a worldwide basis. They will be familiar with international interest rates and currency movements. Generous help with relocation expenses.

### U.S. EQUITY INVESTMENT MANAGER

Up to £14,000 +

Our client, a major investment house, will appoint an Investment Manager. His/her duties will include making investment decisions based on a review of relevant research material. They will now be working with either another investment institution or with a major American or British stockbroking firm. Please apply to Jack Courts

Chichester House, Chichester Rents.

**Career plan**  
LIMITED  
PERSONNEL CONSULTANTS

London WC1A 1EG Tel: 01-41 5775

## Financial Controller

West of Scotland

Our client is a relatively small but steadily expanding member of an international group whose brands of alcoholic beverages are well known in home and export markets. An able Financial Controller with general management potential is now required to take full responsibility for the company's finances and supporting information systems, and to oversee the computer, personnel and export finance functions. The ideal man or woman will be a CA or ACMA, aged 30 to 40, with substantial industrial experience, preferably gained in the drink industry. Rewards include a starting salary of between £13,000 and

c. £14,000 + car

£15,000 per annum, plus a company car and other benefits. This post offers good prospects of career and earnings progression into general management and towards a local directorship.

(Ref: AA50/7521/FT)

*Initial interviews are conducted by PA Consultants. No details are divulged to clients without prior permission. Please send brief career details or write for an application form, quoting the reference number on both your letter and envelope, and advise us if you have recently made any other application to PA Personnel Services.*

**PA Personnel Services**

Fitzpatrick House, 14-18 Cadogan Street, Glasgow G2 6QP. Telephone: 041-221 3954 Telex 779148



A member of PA International

## Top Financial Copywriter

An exciting opportunity with one of the country's fastest growing agencies. To work on a portfolio of accounts including a Building Society, a Bank, a Friendly Society and an Insurance Company.

The salary and working conditions are excellent. (Re-location expenses will be paid where appropriate.) We are looking for a self-starter with considerable knowledge and experience. This is a new appointment and is one of the top jobs in its field in the country.

Applications in strictest confidence with full Curriculum Vitae to: Peter Donoghue, Deputy Managing Director.

**ROYDS**

MANCHESTER LIMITED

Bonis Hall, P.O. Box 28, Presbury, Macclesfield, Cheshire SK10 5EE.



## THE ROYAL BANK OF CANADA REQUIRES A STERLING MONEY MARKET MANAGER FOR OUR CITY OFFICE

As a result of continued growth in our Sterling Money Market activities we are seeking applicants for the above senior position. The person we are looking for will preferably have at least 5 years experience in the London Sterling Money Market and will operate in support of our Manager Foreign Exchange and Money Markets through development and management of our London Branch sterling book and funding requirements. The successful candidate must have proven management capabilities, be innovative and capable of motivating others.

Salary will be commensurate with experience and proven ability. In addition The Royal Bank of Canada provides a generous employee benefit programme.

Qualified applicants should contact:

Mr. A. F. Critchett, Manager, Personnel  
THE ROYAL BANK OF CANADA  
2 Palace Gate, Kensington  
London W8 5NF

## Inspector-Computer Audit

£16,250

+car and major benefits

**D**ue to further increased activities an additional position has arisen for a qualified and competent Computer Auditor to join a major UK clearing bank in London. The successful applicant will be an important and key member of the Computer Audit Section and as such will be required to carry out audits and inspections to provide assurance that new and existing computer based systems and computer installations have effective controls. Candidates aged 35 to 45, should be Chartered Accountants with sound knowledge and experience in computer auditing, computer programming, system analysis, project management and preferably experienced in bank computer systems. In addition to salary and car, benefits include pension, 5½ weeks holiday, profit sharing, subsidised mortgage facilities in certain instances, BUPA and preferential loan schemes.

Please write in confidence for further details and application form to Michael Andrews, Executive Selection Division, Southwark Towers, 29 London Bridge Street, London SE1 9SY quoting MCS/7021.

**Price Waterhouse  
Associates**

A Member of the Mercantile House Group.

## Senior Lending Officer Shipping Specialist

Bank of America is seeking one or more experienced international bankers to join its London Shipping Group engaged in handling an expanding portfolio of major account relationships with some of the world's largest shipping companies, based in the UK and Europe.

Applicants, graduates aged 25-35, must have at least 3 years' banking experience dealing with the shipping industry. They must also possess strong credit analysis, business development and communication skills. A knowledge of languages would be an asset.

Excellent career opportunities exist in the Bank's international operations. Attractive starting salaries will be commensurate with qualifications and experience, and fringe benefits are in line with best international banking practice.

Write, in strictest confidence, with full personal, career and salary details to A.J. Tucker, Recruitment Officer, Bank of America NT & SA, 25 Cannon Street, London EC4P 4HN.

**BANK OF AMERICA**

## Charles Barker Confidential Reply Service

Please send full career details and the reference number to which we should not reply to: PA Consultants, 14-18 Cadogan Street, London SW3 4SR, or to our London office, 30 Finsbury Street, London EC2A 4EA.

## Finance Manager up to £18,000

The company is a British-based world-wide manufacturing concern with over £250m turnover generated in Europe and the UK alone.

A European Management team is to be formed with a strong financial input, in which the Finance Manager will be responsible to the head of operations in Europe; the emphasis in this job will be on commercial problem-solving, not simply financial audit. A successful incumbent could move into general management or a Group financial role.

Candidates must have Finance Director experience at £10m T/O level, at least. Experience gained in a group with continental European interest is preferred particularly if this includes manufacturing. Age is not a material factor, nor is nationality, but use of English must be excellent and qualifications acceptable in the UK.

Apart from the salary there are other benefits including a car and relocation expenses to London. Suitably qualified men and women should write with full details. All letters will be sent directly to the client.

Reference 1687

## HAMPTON GOLD MINING AREAS LIMITED BUSINESS DEVELOPMENT MANAGER

(Mining, Oil Exploration and Mining Machinery)

### THE COMPANY

The Company is listed on the United Kingdom and Australian Stock Exchanges and is engaged in North Sea Oil Exploration, Coal Mining, the Manufacture of Mining Machinery and owns freehold mineral properties in Western Australia.

### THE APPOINTMENT

Further expansion of activities has created a vacancy for an experienced Business Development Manager to contribute at senior level to the Company's continued growth and to participate in:

- ★ Project and Investment Appraisals and Implementation of Approved Investment Decisions
- ★ Joint Venture Negotiations
- ★ Acquisitions
- ★ Corporate Finance Matters
- ★ New Business Development

### EXPERIENCE

The successful applicant is likely to have a strong financial background possibly gained in an international finance and investment company, merchant bank, or similar organisation combined with some direct operational management experience. Exposure to the mining or oil and gas industries would be an added benefit.

### PROSPECTS

There will be opportunities for the application of entrepreneurial flair and to contribute to the on-going management of the Company's activities. Prospects for advancement are excellent.

### REMUNERATION

An attractive remuneration package will be offered including company car, pension and other senior employee benefits.

### APPLICATIONS

Applications from male or female candidates giving full career and personal details should be sent to:

The Managing Director,  
Hampton Gold Mining Areas Limited,  
Management House,  
Parker Street,  
London WC2B 5PT

## M.W.Marshall & Company Limited

International Foreign Exchange Brokers  
Tokyo Office

We have a requirement for a limited number of trainee brokers for our Tokyo office which is scheduled to open during the first half of 1981.

We are especially interested in employing Japanese Nationals who have already worked, or been educated, in the U.K. and who wish to return home to a challenging career in the expanding Tokyo Foreign Exchange Market.

Although experience of trading in Foreign Exchange or similar markets would be an advantage, training will be provided for all successful applicants. Age limit: 21-30 years.

Please apply in writing to:  
Mr R.D. Toomer  
c/o M.W. Marshall & Company Limited  
68 Cannon Street, London EC4N 6AE

**Marshalls**

A Member of the Mercantile House Group.

## CHIEF ACCOUNTANT Wembley

c£12,500+car+benefits

Our client, part of a major UK quoted group, is a leading manufacturer of high technology products (to £50m) which are recognised internationally for their excellence.

Due to promotion within the group a qualified accountant with sound commercial experience aged 28-35 is required. Reporting to the Financial Controller and assisted by section managers and an experienced accounts staff, he/she will be responsible for the administration and overall control of the UK centralised accounting function. The appointee must also ensure the timely and meaningful presentation of monthly/annual accounts and management information. There will be close involvement in the further development of computerised systems.

The ability to deputise for the Financial Controller and maintain good working relationships with colleagues of all disciplines are essential personal attributes for this key role.

Applications under Ref. No. RC 164 to: Miss Marion Williams  
Exel Recruitment, 4 Bouvierie Street, London EC4Y 8AB - Tel: 01-353 5272

**Exel Recruitment Executive Selection Consultants**



## CAREERS

## IN DP MANAGEMENT CONSULTING

Career positions are available on our consulting staff for candidates with strong analytical and conceptual skills plus an ability to communicate at the senior management level. Positions are available for:

- Management Consultants who work directly with senior client management. An MBA or accountancy is highly desirable.
- Senior Management Consultant positions with immediate project management responsibilities are also available for candidates having extensive data processing/consulting experience.

Extensive training in NNC proprietary methods and techniques will prepare you for rapid growth in the Firm. Career paths lead to responsibilities in:

- Client Management
- Product Development
- Research Programs
- Project Management

The NNC compensation package includes liberal benefits and performance bonus opportunity. If you are interested in pursuing a career opportunity with us, please forward your c.v. in confidence to: H.E. Lockhart, Managing Principal European Operations.

**Nolan, Norton & Company**

26 Dover Street  
London W1X 3PA  
01-499 7155

An Equal Opportunity Employer

## Accountant, International Banking

Our client is a City based International Bank - with a difference. Different because the average age of senior management is in the mid-thirties range and different because they are exceptionally successful and growing rapidly.

Currently they are seeking to employ a Bank Accounting Specialist, having one of the following qualifications (ACA, ACCA, or AIB) to work in their financial division. This will involve the preparation of internal and external financial reports and the critical review of these reports to ensure that they reflect all changes in reporting and disclosure requirements. The successful applicant will also fulfil an advisory and support role for the marketing side of the bank's operations and will have relevant experience in the following:

- At least 2 years bank accounting experience
- A good knowledge of foreign exchange and Bank of England reporting

In return for this, the bank offers a very high remuneration package, including:  
To £11,000 - SUBSIDISED MORTGAGE - NON-CONTRIBUTORY PENSION SCHEME, ETC.  
The person appointed to this position will have the opportunity to develop their career in accounting in one of the most dynamic International Banking environments in the U.K. For further details of this position, telephone or write to Kevin McCourt quoting reference: KM 4407.

**Lloyd Chapman  
Associates**

123, New Bond Street London W1Y0HR 01-499 7761

## General Secretary Independent Television Companies Association

The ITCA requires a successor to the General Secretary, who is due to leave the Association soon.

The ITCA is a service organisation. Its main function is to provide a forum for discussion and a channel for joint action by the fifteen ITV companies on matters of common concern. The General Secretary is its chief officer.

The post calls for a man or woman with administrative ability and skill in initiating and co-ordinating projects and in implementing policy decisions made by the Association's Council, to which the General Secretary is responsible.

His or her energies will be directed principally towards:

- consulting member Companies, the Independent Broadcasting Authority, Government departments, advertisers and representatives of other media;

- obtaining legal and financial advice as necessary;
- synthesising of views and advice for the guidance of Council and other key committees;
- implementing policy decisions on behalf of the Association;
- co-ordinating administrative support for the ITCA's other secretariat bodies in industrial relations programme planning and advertising copy clearance.

The new General Secretary's qualifications will include, ideally, a successful background in broadcasting, particularly television, although experience in newspapers, advertising, marketing or other trade associations may prove relevant. He or she will also have had experience of administering staff (there are about 100 at ITCA), premises and significant expenditure of money. His or her age will be somewhere between the mid 30s and the early 50s. The ability to speak and write with clarity and economy is essential.

Salary not less than £20,000 per annum, commensurate with ability and experience, company car, contributory pension scheme, BUPA benefits.

Applications in writing, with typed c.v., including details of education, experience and current salary should be sent marked 'personal' to The Chairman of Council, Independent Television Companies Association Limited, Knighton House, 32 Montague Street, London W1X 8AS.



## Financial Director

Surrey

This medium sized and diverse engineering company with a successful record in its markets at home and overseas is confident of sustaining profitable growth through the 80's. The post of Financial Director is an essential part of the plans to maximise the company's market and profit potential. A key task will be to devise and implement effective, cost-based management information systems, and other responsibilities will include the control of the treasury, secretarial, and personnel functions. Applicants should be Chartered Accountants and be able to demonstrate a successful track record.

### PA Advertising

Hyde Park House, 60a Knightsbridge, London SW1X 7LE. Tel: 01-235 6060 Telex: 27874



A member of PA International

## MANAGEMENT ACCOUNTANT

AGE 27-40 LONDON SE1 UPTO £12,000 + CAR

A profitable stationery manufacturing company, part of a group, wishes to appoint a Management Accountant who will report to the Managing Director. The responsibilities will include:

- \* Installing order processing system throughout the company
- \* Developing management reports and systems
- \* Stock control
- \* Providing financial advice

Candidates must be qualified accountants with previous industrial or commercial experience. This should include experience of computerisation and modern management accounting techniques. Candidates should have a strong personality and be articulate.

Please send a comprehensive career résumé, including history, quoting ref. 1084, to W. L. Tait.

**Touche Ross & Co, Management Consultants**

Hill House, 1 Little New Street, London EC4A 3TR. Telephone: 01-353 8011

## Top Financial Journalist

With wide international horizons required by the largest daily newspaper in South Africa to join a team covering the fast growing economy of South Africa.

Excellent prospects for candidate capable of writing on all aspects of the financial scene, in the business capital of Johannesburg.

Attractive work conditions, tax levels, medical aid scheme, pension fund.

Apply in first instance to:

The Managing Editor,  
Argus South African Newspapers Limited,  
85 Fleet Street, London, EC4Y 1ED.  
Telephone: 01-353 3765

## EXCEPTIONAL OPPORTUNITY

Graduate 24 plus with commercial experience required for future commercial / financial management by rapidly expanding leisure goods company. Initiative and energy essential.

WRITE CHIEF EXEC.  
FREEWHEELER LEISURE LTD  
Wellesbourne, Warks.

## FINANCIAL CONTROLLER

\$20,000+, car and benefits

### AUSTRALIAN TRADING COMPANY LOCATION: SYDNEY

This position carries a salary of \$20,000 p.a. and car with usual fringe benefits. Financial assistance with relocation.

Age 25-40 with experience as principal accounting officer or 2 I.C. A knowledge of computer systems and familiarity with L/C procedures, insurance claims and export/import routines desirable.

Excellent long term potential for the individual with initiative and drive.

Selected applicants will be interviewed by the company on February 3rd in London. Write with full details incl. C.V. to:

The Adelaide Steamship Co. Ltd.  
c/o Mr. Colin Newman,  
79a High Street,  
Esher, Surrey

## Financial Controller/ Treasurer

Kuwait

to £18,000

An important manufacturing company with prospects of rapid growth is seeking a Financial Controller cum Treasurer for its headquarters in Kuwait. Reporting to the Managing Director, he will be responsible for all aspects of planning, budgetary control and the treasury function. Candidates, ideally aged 35-40, should be qualified accountants with some 10 years spent in financial management and control of which 5 years in manufacturing industry. Their experience should include fund raising and deployment and ideally will also cover systems development and EDP. Salary

Ref. 4034756/FT

Initial interviews are conducted by PA Consultants. No details are divulged clients without prior permission. Please send brief career details or write for an application form, quoting the reference number on both your letter and envelope, and advise us if you have recently made any other applications to PA Personnel Services.

**PA Personnel Services**

Hyde Park House, 60a Knightsbridge, London SW1X 7LE. Tel: 01-235 6060 Telex: 27874



A member of PA Internationa



## Materials Engineer for NIGERIA

We are one of the leading civil engineering and construction companies in the Federal Republic of Germany.

For our branch laboratories in Nigeria the position of the chief materials engineer for soil mechanics, bituminous pavements and concrete works is offered.

If you are interested send your curriculum vitae and application to:

**STRABAG BAU-AG**

Siegburger Straße 241

D-5000 KÖLN 21 WEST GERMANY

**BRUNEL UNIVERSITY**  
Uxbridge, Middlesex

## Vice-Chancellor and Principal

The office of Vice-Chancellor and Principal of the University will become vacant in October 1981 following the retirement of Mr. Stephen Bragg.

Anybody wishing to have his or her name considered for the post or to suggest names to the Selection Committee is invited to write in confidence to the Chairman of the Council of the University.

J. A. Gardiner, Chairman of the Council, Room 111, Administration Building, Brunel University, Uxbridge, Middlesex, UB8 3PH.

## Corporate Banker

PRIVATbanken Limited, which is a wholly-owned subsidiary in London of Denmark's oldest commercial bank, seeks an experienced Corporate Banker to head its new team of five Account Officers forming its UK Marketing Department.

If you can demonstrate management, marketing and credit skills, together with an ability to book new business and would like to play a leading role in the overall development of a new bank, then we should like to hear from you.

This important position carries an attractive remuneration and benefits package.

Please apply, in confidence, enclosing a detailed curriculum vitae to the Managing Director:

**PRIVATbanken Limited**

107, Cheapside, London EC2V 6DA

## Graduate Accountant

Corporate Operations

We require a Chartered or Cost and Management Accountant, aged 27-33 with previous industrial experience, to join one of our multi-disciplined teams based at Corporate Headquarters in Weybridge. The task is to review, on behalf of the Board, management systems across all functions - Design, Production, Marketing, Finance - with a view to improving operating effectiveness, covering the full range of British Aerospace activities in the manufacture of aircraft, missiles and space satellites and systems. Exposure to Senior Management is considerable. Candidates must possess both the analytical skills and the personal qualities necessary to work successfully and on their own initiative in this environment.

Salaries will be related to qualifications and experience. Conditions of employment and benefits are those you would expect to find in a large and progressive organisation. A car will be provided.

Please write or telephone for an application form, or submit a current c.v., quoting reference

F.P. Rhodes

Corporate Adviser - Personnel,  
British Aerospace Headquarters,  
Brooklands Road, Brooklands,  
Surrey KT13 0SJ.

Tel: Weybridge 45522 Ext. 368

**BRITISH AEROSPACE**  
Headquarters

## Internal Auditor

Nassau (Bahamas)

The SFE Group, an International Banking Group with affiliated companies in both the Caribbean and Europe, requires a qualified Accountant as Internal Auditor for its NASSAU base banking subsidiary. Candidates should be under thirty years of age, a member of the Institute of Chartered Accountants in England and Wales, or its equivalent, and have approximately five years post qualifying experience with either an international firm of accountants or a financial institution.

Applicants who have previous internal audit experience in international banks and computerised operations will be given preference. Short periods of travel may be required in performing audit examinations outside of the Bahamas and a knowledge of French will be advantageous to the prospective candidate.

Salary which is tax free will depend on qualifications and experience. Fringe benefits include bonus, pension plan, medical cover and life insurance. Qualified candidates are invited to submit written resume of educational background, qualifications and experience to Banque de l'Amérique du Sud, 20, rue de la Paix - 7502 PARIS. Attention: M. David SAMYTHE

## AUTOTYPE INTERNATIONAL LTD. FINANCIAL CONTROLLER c.£12,500+ profit share+car

**Autotype International Limited**, part of the Norcross Group, is a highly profitable organisation supplying the graphics industry with photographic paper and films. The important post of Financial Controller combines that of Company Secretary and carries full financial responsibility for the U.K. Company and its overseas subsidiary, Autotype U.S.A. In the case of the latter operation, responsibility will be for Company funding and taxation as well as financial and management accounting.

Based in Wantage, the skilled communicator appointed will control a staff of 12 and develop all the techniques and procedures needed to maximise profitability and improve financial

control. He or she will be aged 30 to 45 and fully qualified with several years' all-round experience, ideally with a progressive industrial concern. Demonstrable people management skills are essential as is exposure to sophisticated accounting methods. Overseas experience and a knowledge of exchange control would be very advantageous.

Salary is negotiable and the valuable benefits include BUPA and free life assurance. Please write with a full c.v. to:

Mr. I. Seeson, Personnel Manager,  
Autotype International Limited,  
Grove Road, Wantage,  
Oxon, OX12 7BZ.



### SENIOR MANAGEMENT EXECUTIVE

(c. £25,000-£30,000)

The Highlands and Islands Development Board has powers to assist financially any industrial or commercial business or can set up any scheme to promote the economic or social development of the Highlands and Islands. The Board also has powers to provide or assist in the provision of services, facilities or other services to promote the economic or other services to the introduction, operation or development of industrial, commercial or other enterprises in the Highlands and Islands.

The Board has established a small Management Services Unit to manage a management function and provide advisory services to the Board and its agencies. The unit will advise on the management and participation in the management of companies in difficult cases of development and assist in the building up of company management experience. When appropriate the Management Unit will advise and in some cases be responsible for the management of third-party ventures.

Considerable travelling, particularly in the Board's area, by public and private transport and periods of residence away from Inverness will be required.

For further details and an Application Form please write to:

The Personnel Officer (P1),  
Highlands and Islands Development Board,  
Bridge House,  
27 Bank Street, Inverness, IV1 1QR.  
or telephone (0463) 34171, Ext. 0289.

### Highlands and Islands Development Board

Bridge House, 27 Bank Street, Inverness.

## Experienced Link Brokers

Guy Butler (International) Ltd., a leading multi-national money brokers need experienced Link Brokers, probably aged 20-25 to join a busy team operating from their London offices. An excellent remuneration package is offered together with excellent career prospects.

Please write in the strictest confidence with full details of career to date to:

G. M. Gascoigne AIB, Managing Director,  
Adelaide House, London Bridge, London E.C.4.  
or telephone 01-623 7758 to arrange an early appointment.

## BUTLERS

Guy Butler International Limited  
International Money Brokers Who Set The Pace

### ALANGATE AGENCY

Banking & Stockbroking Division  
are now at:  
46-42 COPTHALL AVENUE, EC2

### STOCK EXCHANGE

ARBITRAGE DEPARTMENT. BEARER STOCKS, aged 26-40, £6,500 + two excellent bonuses p.a.  
OVERSEAS DELIVERIES, aged 24+, £8,000 + excellent bonus.

FOREIGN RIGHTS, aged 21-23, £5,500 + bonuses.

BOUGHT & SOLD TRANSFERS, aged 20+, £5,500+ and bonus.

### BANKING

DOC. CREDITS, aged 27+, £7,000.  
EX. BACK-UP, aged 25-33, £6,500-£7,000.

ACCOUNTS, £10,000-£15,000+

ACCTS/MANAGEMENT REPORTING, 26-32, £8,000-£9,000.

Plus all banking benefits

Ask Delta Franklin now on 0533 1491.

### BANKING

Bank Leumi (U.K.) Ltd.

has a vacancy with the following requirements:

— Some charged securities experience

— Part/full A.I.B.

— Minimum five "O" levels including maths and English

— Age: mid-twenties

For further details please write to:

Mrs. Sharon Bendelton, Personnel Department

BANK LEUMI (UK) LTD.

4-7 Woodstock Street, London, W1

### CLASSIFIED ADVERTISEMENT RATES

per line	single column	cm. £
7.50	22.50	
5.50	16.00	
7.50	22.50	
5.00	25.00	
5.50	16.00	
5.50	16.00	
5.50	16.00	
7.50	22.50	
—	—	net 9.50

Commercial and Industrial Property,  
Businesses for Sale/Wanted

Residential Property

Appointments

Businesses and Investment Opportunities

Freight

Motor Cars

Holiday and Travel

Contracts and Tenders

Book Publishers

Premium positions available

(Minimum size 30 columns cms.)

£3.00 per single column cm. extra

For further details write to:

Classified Advertisement Manager

Financial Times, 10, Cannon Street, EC4P 4BY

## Bonds

Our client is a medium sized firm of Stockbrokers with a first class reputation for their equity coverage, increasing corporate business and considerable funds under management. Owing to the rapid growth of their international activities they now seek a high calibre individual to develop their bond department. The successful candidate is likely to be aged 27 to 33 with a good education and a sound knowledge of international bonds — gained through at least three years experience within Stockbroking or Banking. Working with an established bond trader and alongside the gilt team, the position will involve taking over responsibility for marketing international bonds to U.K. and overseas institutions. Remuneration will certainly be attractive to the right individual and partnership prospects are excellent. Please contact F.J. Stephens or A. Innes who will treat all enquiries in the strictest confidence.

Stephens Associates  
International Recruitment Consultants  
35 Dover Street, London W1X 3RA. Tel: 01-493 0617

## Chief Accountant With Board Potential Hampshire

Powell Duffryn Timber Limited occupies an important place in the UK market for timber, joinery and builders' merchants supplies, with turnover in 1980 exceeding £4.5 million. It has 5 trading divisions each with its own Managing Director and Divisional Accountant.

The Chief Accountant will be directly responsible to the Company Managing Director for all financial and accounting activities within the company and will report functionally to the Powell Duffryn Group. An early priority will be to review

the company's management information system. He/she will also act as Company Secretary.

We seek a qualified Accountant with around 5 years' commercial / industrial experience who combines innovative ideas with the ability to sell those ideas to all levels of management.

Starting salary will be negotiable around £12,000 and benefits include a car, contributory pension, life assurance and full medical insurance. Relocation costs will be met if appropriate.

Written applications, giving full career details, should be sent in confidence to:  
AK Selection, Ref. 11/S/FT, Austin Knight Limited, 30 Soho Square, London W1A 1DS.

Austin  
Knight  
Selection

Getty

## LAWYER

Getty Oil (Britain) Limited has a vacancy for a Lawyer reporting to the Manager, Legal Department.

The Company is engaged in exploration and production in the North Sea and also has interests in Europe and Africa. Its activities are expanding.

Candidates (male or female) should be qualified as a solicitor or barrister and must have experience in the negotiating and drafting of exploration agreements.

Age limits between 28 and 40.

A competitive salary will be paid commensurate with experience and qualifications including a generous package of other benefits. Replies with full c.v. should be sent to the Administration Manager, Getty Oil (Britain) Limited, 1 Butler Place, London SW1H 0PS.

## INVESTMENT MANAGERS

Circa £20,000

Our clients are institutional investment houses and market leaders in their field.

As part of their continued expansion we are seeking fund managers at senior levels to join existing teams.

Knowledge of either investment trusts, bond or equity markets is essential.

The successful candidate would have acquired this background in a first class city firm. He/she must have the authority, experience and character to command the respect and confidence of investors. An ability to market the Company's investment and advisory services is essential.

For further details, please contact:

D. W. CLARK, F.C.A.  
quoting Ref. 5030

David Clark Associates

## CORPORATE FINANCE

Hong Kong

Up to £15,000

Leading Far East Merchant Bank seeks an experienced Corporate Finance Executive. The appointed candidate will join an established and successful team and will handle transactions independently. Preferred age late 20's or early 30's.

Candidates will probably combine a degree with a professional qualification in accountancy or law. They must have experience across the full range of corporate finance transactions. Salary negotiable to £15,000 plus excellent financial benefits, including subsidised mortgage scheme and profit participation (SW576).

Candidates male or female should write briefly and in confidence to the Managing Director, Executive Appointments Limited, 18 Grosvenor Street, London W1, quoting reference. No identities divulged without permission.

## FX DEALING ROOM ASSISTANT

Hill Samuel & Co. Limited are expanding their Foreign Exchange Dealing Room and are looking for a young, ambitious assistant, initially to undertake a variety of support duties involving Telex, Reuter's input and Positions work, leading at an early stage to involvement in FX dealing on behalf of the Bank's commercial customers.

Applications are invited from candidates aged between 18 and 22, possessing some previous experience of foreign exchange clerical work. We are unlikely to appoint an assistant not having the potential of an FX dealer.

A competitive salary will be offered together with the usual range of substantial banking benefits.

Please either telephone or write giving brief career details to:

P. G. S. COULSON  
Senior Personnel Officer  
HILL SAMUEL & CO. LIMITED  
100 WOOD STREET, LONDON, E.C.2  
Telephone: 01-638 8011 Ext. 2431

## EUROBOND DEALER

required by leading market maker. Aged late 20s early 30s. Good experience of the secondary market, especially in FRNs. Position is London-based. Attractive salary plus substantial fringe benefits.

Write in complete confidence to Box A7394,  
Financial Times, 10 Cannon Street, EC4P 4BY

## RECRUITMENT CONSULTANT

Our well-established specialist banking division has a vacancy for a consultant. A background in banking is essential together with a genuine interest in people and their desire for career progression. Our clients are City-based international and merchant banks. If you are seeking a rewarding career in the consultancy field please telephone Mrs. S. Arnell.

This position is open to both male and female applicants.

## BSB Banking Appointments

115/117 CANNON STREET, LONDON, E.C.4.

Telephone: 01-623 7317

RECRUITMENT CONSULTANTS

# A British TV triumph

BY DAVID MARSH

ACCORDING TO David Frost, it's "the last frontier of British television." American TV critic Marvin Kitman views it as "a kind of tapeworm of the eyeballs." The editor of the Sunday Express says, more simply: "It all stinks."

Breakfast TV, due to be served up in Britain in 1982 by the TV-AM consortium (and possibly earlier by the BBC), certainly captures the imagination. But are the proposals adventurous enough? The Great British Viewing Public, fresh from its Christmas TV blowout of adventure, earthquake, Zulu uprisings and blazing infernos, is plainly ravenous for more red meat.

## Serious

There are, in fact, a number of suggestions that Peter Jay and his team might like to take to heart. First, his list of "star-studded names" is frankly a disappointment. Anna Ford, Esther Rantzen, Angela Rippon and Michael Parkinson are all very well—but what is missing is a bit of all-round fun-filled value-for-money family entertainment. If one shall not be watching the breakfast TV news unless it is presented by a combination of Jimmy Savile, Basil Brush and the Two Ronnies. People forget that in 1980 it took a chimpanzee named Mr. Muggs to get Americans to breakfast TV on its feet.

A more serious point is that the planned breakfast viewing hours are, to say the least, paltry. Mr. Jay plans a news show from 6.15 to 9.15 am. There is plainly room for more. One of our success stories all too often forgotten is that Britons have managed to boost their TV viewing hours to almost the highest in the world—around 18 hours per week on average, 22 per cent up on 1970. That compares with a mere 10 to 14 hours among most of our competitors in Europe—although the U.S. and Japan top the list with well over 20.

On Christmas Day we manage to put in about five hours per person—a magnificent achievement which shows what British people can do when they put their hearts into it.

But there should be no room for complacency. It is easily overlooked that there are still about 150 hours per week when

the average man, woman and child is not watching television, presumably kicking their heels most of the time.

A simple remedy would be to start breakfast TV a little earlier. Sets can after all be fitted with automatic alarm devices to rouse viewers at, say, five o'clock with information about what is happening when people are waking up in Kabul or going to bed in Costa Rica.

A bolder stroke would be to extend viewing hours in the other direction. Very little has been given to the idea of Lunctime TV—and yet the benefits are obvious. Large television screens could be installed at very little expense in shops, offices, schools, bars, restaurants and canteens.

Aroused out of their morning sluggishness, Lunctime TV watchers would be more alert not only to news of what was going on at tea-time in Tehran but also—more importantly—to the advertising blandishments. And, with meals blanched round by specially trained staff, there would be none of the breakfast upsets of preoccupied viewers pouring cornflakes into the teapot or smearing porridge on to their toast.

Some educationalists, of course, have already been quick to take to task the whole idea of breakfast TV. These people have no concept of the way society is changing. It is true that at the moment children are still being distracted from television by occupations such as reading books, going to school or holding conversations with their parents. Given time, however, these influences are likely to become progressively less important.

## Climate

It is only a pity that the Government has so far given no official backing for breakfast TV—although credit has to be given for creating the right investment climate for this sort of productive entrepreneurial activity to flourish.

Behind the scenes, however, it is clear that the Government has TV-AM's interests at heart. BBC research shows that, compared with those with jobs, unemployed people watch about 40 per cent more TV on average—and by 1983 there looks like being at least 3m of them.

**BBC 1**

- 12.45 pm News. 1.00 Pebble Mill at One. 1.15 Bod. 2.00 Tennis: The Brumfitt Airways World Doubles Championship from Olympia. 2.55 Regional News for England (except London). 3.35 Play School (as BBC-1 11.00 am). 4.20 Laurel and Hardy cartoon series. 4.25 Jackanory. 4.40 Heidi. 5.00 John Craven's Newsround. 5.05 Blue Peter. 5.35 I'm The Engine. 5.40 News. 5.55 Nationwide (London and South East only).

**BBC 2**

- 11.00 am Play School. 3.55 pm Tennis (further coverage from Olympia). 4.00 Open University. 4.40 Laurel and Hardy in "Blotto". 5.00 Music-Hall Greats: "Old Mother Riley's New Venture" starring Arthur Lucan and Kitty McShane. 7.15 When the Bough Breaks. 7.30 Mid-Evening News. 7.40 Mauchum: An account of the uneasy life and complicated times of Somerset Maugham. 8.30 Russell Harty. 9.00 The Little World of Don Camillo. 9.30 Maestri. Fred Davis—snooker and billiards player in conversation with Frank Keating. 10.30 Newsnight.

**LONDON**

- 9.30 am Showjumping with Harvey Smith. 9.45 "Conspiracy of Hearts" starring Lilli Palmer. 11.45 World Famous Fairy Tales. 12.00 Gideon. 12.10 pm Stepping Stones. 12.30 The Sullivans. 1.00 News plus FT Index. 1.20 Thames News. 1.30 Together. 2.00 Afternoon Plus. 2.45 Fallen Hero. 3.45 Life Begins at Forty. 4.15 Dr. Snuggles. 4.20 Little House on the Prairie. 5.15 Emmerdale Farm. 5.45 News. 6.00 Thames News. 6.30 Family News. 6.45 John Savile's "The Queen's Diamonds". 7.00 The Jim Davidson Show. 8.00 Sapphire and Steel. 8.30 TV Eye.

**RADIO 3**

- 5.00 am News Summary. 5.30 Bob Kilby (S). 7.32 Terry Wogan (S). 8.00 Radio 3 Concert. 8.30 Radio 3 Drama. 9.00 Steve Wright. 11.00 Andy Peebles. 12.30 Ed Gereau's Report Show (S). 1.03 Much More Music with David Symonds (S). 5.03 John S. 8.02 Country Club (S). 9.02 Alan Davy with Big Band Sound (S). 9.55 Sports Dash. 10.02 Punchline. 10.30 Star Sound Extra. 11.00 Comedy Dash. 11.20 Matlock with Roy Hudd. 12.00 News. 2.02-6.00 am You and the Night and the Music (S).

**RADIO 2**

- 5.00 am News Summary. 5.30 Bob Kilby (S). 7.32 Terry Wogan (S). 8.00 Radio 2 Concert. 8.30 Radio 2 News. 9.00 Steve Wright. 11.00 Andy Peebles. 12.30 Ed Gereau's Report Show (S). 1.03 Much More Music with David Symonds (S). 5.03 John S. 8.02 Country Club (S). 9.02 Alan Davy with Big Band Sound (S). 9.55 Sports Dash. 10.02 Punchline. 10.30 Star Sound Extra. 11.00 Comedy Dash. 11.20 Matlock with Roy Hudd. 12.00 News. 2.02-6.00 am You and the Night and the Music (S).

**RADIO 1**

- 5.55 am Weather. 7.00 News. 7.05 Gyles Brandreth. 8.05 Morning Concert (S). 8.00 News. 8.05 Radio 1 News. 8.30 Radio 1 News. 9.00 Week's Composer. Mozart (S). 10.00 Orlando. Spring Quartet Recital. Part 1. 11.00 Interval Reading. 11.30 Radio 1 News. 11.45 Radio 1 Fifth Symphony (S). 12.00 News. 12.30 Lunchtime Concert (S). "Odeon," opera in four acts by Verdi

\* Indicates programme in black and white.

## F.T. CROSSWORD PUZZLE No. 4,463



## THE ARTS

ICA Theatre

## Grey

by MICHAEL COVENY

Theatre Not Plays is "an international season of boundary-breakers" tied in with the London Mime Festival, and first off the grid is the Bart Stuyf movement group from Holland. I say "movement" as opposed to "dance" because the company strikes me as technically primitive, not to say imprecise, and the point of the somewhat sombre and tedious scenario is to set the six participants in conflict with their stage setting.

Bart Stuyf gives us a bare stage and a grey, curved tar-paulin mobile design that is pushed through 360 degrees, very slowly, by five grey dancers, to the accompaniment of Steve Reich's friendly electronic music. The set then splinters into seven components, each resembling a large flattened hockey stick. Three girls who can scarcely raise their legs above hip level prance around for a while, to be succeeded by a boy who lies on his back and wiggles his feet in the air. This goes on for some time, with others joining in to execute a series of forward rolls, backward rolls and, eventually, sideways rolls. After 25 minutes, the music, which is just as irritating as Mike Oldfield's

Tubular Bells" but less melodic, stops. Phew!

Silence. Things can only improve—and they do, marginally. Bits of the set are tilted from behind, setting up good angles with the performers, who now seem to be all at sea. One girl swims across the floor, another stands like a figurehead on the hockey stick; two others waltz around like, I fancy, a pair of sirens or at least mermaids. The hockey sticks are assaulted in the gentlest way possible, one of the chaps slipping down a curve here, his colleagues popping up there to find footholds on the metallic stage braces.

I love stage design that lives and breathes the presentational ideas of a production; I think of Lubimov's wall with ears for a Russian Hamlet, of Garcia's womb-like trampoline for the barren heroine of Lorca's *Yerma*. Performance art and dance drama have a lot to offer the theatre of ideas. Bart Stuyf has a lot to offer. But he needs, like many of our own troupes, to engineer a clash of form and content if his work is to make waves rather than harmless ripples on a deserted beach.

## Purcell Room

## Young Musicians

We are so accustomed to discovering, almost without fail these past years, such a torrent of fresh and sparkling talent at the Park Lane Groups' annual series of Young Musicians and 20th-century Music that the appearance of four entirely decent but not essentially special young artists in the first two concerts of the new season's series could be deemed, perhaps unfairly, a disappointment.

The Debussy Ensemble of the pianist Keith Burston (b. 1957), at any rate, was amiable enough: but tender-fingered, and not illuminating. And though his ambitious account of Stockhausen's *Piano Piece X* was architecturally and dramatically well organised, by comparison with the most exciting performances of that fascinating and ferociously taxing work (say, Herbert Henck's recently at the ICA) it was rough-hewn, its vital colourings only palely sketched.

Mr. Burston shared his programme with John Corbett, a clarinettist (also b. 1957), who made a genial but not exceptionally strong impression with Boulez's solo *Damoxines*, and thoughtful readings of Berg's four pieces op. 5 and Birtwistle's *Verses*.

On Tuesday night, the contralto Nicola Lanzettini opened the evening with the four Stefan George songs omitted by Webern from his Op. 3 and 4.

## Architecture

## British Rail: positively Victorian

By GILLIAN DARLEY

There was some amusement recently in the architects' department of British Rail, London Midland Region. A letter was received complaining that the new ladies waiting room at St. Pancras was "positively Victorian," since much time is spent balancing the needs of the travelling public against the realities of ageing and often fine 19th century buildings, the phrase seems to sum up the situation (though not in the sense that the lady respondent intended).

The London Midland Region illustrates the scale of the problem, especially amid the encroaching economic gloom. From Euston and St. Pancras to Carlisle the region includes 146 listed buildings (and 14 ancient monuments); 36 are stations, seven are hotels and the remainder is divided between viaducts, bridges, tunnels and "other buildings," many of pre-railway date but standing on railway property. These are the buildings placed under statutory protection but many more are not so covered, and outstanding structures such as Lancaster (where the station takes its cue from the castle above) and prickles with crenellated) remain outside this tally.

All BR money for historic buildings has to be squeezed from the overall budget of the civil engineers, who take responsibility for all structures (including track). Oddly, the architects are not responsible for routine maintenance of the listed stations. Their role is that of back-up, the so-called "watching brief," and depends on a close understanding between themselves and the engineers concerned, varying widely from district to district. Equally the allocation of the budget in the area is discretionary, depending on a wide range of commitments, with public safety always top priority.

Sometimes particularly in hard winters, programmed works are delayed and extra resources become available for historic buildings within the given financial year, calling for speedy and opportunistic reaction. It is not surprising, therefore, that the



Stoke-on-Trent station after works to clean, repair and restore it

architects when faced with problems of often poorly maintained buildings of a hundred or more years old, should seek finance from as wide a range of outside bodies as possible. Seen as a commercial organisation, BR has inevitably had to contend with a prejudice against its claims for grant-aid for its historic buildings.

Its chief potential source is the Historic Buildings Council which gave its first grant towards a station repair as recently as 1977 (for Cressington). Now it appears that the plight of the railway's stock of historic buildings is beginning to attract this body's solid support. The work at St. Pancras (the only Grade 1 listed station built in the region) has been assisted by EBC grant aid. Now the building, which far exceeded all estimates as to the scale of work necessary, stands partly cleaned and repaired, partly encrusted and deteriorating, half resplendent, half down at heel.

Two major stations are of particular concern in the LM region at the moment: Shrewsbury and

Chester. Shrewsbury, a Gothic extravaganza designed in 1848 by T. M. Penson, is largely vacant, and has been for at least 15 years. It requires urgent maintenance since, like most buildings of its age, the failure of sections of roofing and the disintegration of guttering are followed by their fellow travellers, wet and dry rot. Since Shrewsbury has been designated a "priority town" by the Department of the Environment, extra sources of funding could be available and here the resourcefulness of the local authority will play an important part. First aid repairs could be carried out for perhaps as little as £100,000, but more than remedial treatment will eventually be required, and it is for this that further finance will be sought.

Chester station, built in 1848 by Francis Thompson, is a far more substantial problem. First, the building is largely in use (except for the Mold wing, which a firm of architects is to buy with the offer of a 50 per cent grant from HBC and the city council) and its poor structural condition will require

£850,000 to keep the building as it is, quite apart from improvements. The ambitious modernisation scheme prepared in 1976-1977 is out of the question; the priority is now the repair of the elegant Italianate complex of buildings—with their rotting roofs (made worse by "Turnerisation," a kind of sealant, some years ago) and brick and stone work damaged by ill-considered grit-blasting in the past. In fact a number of the problems stem from badly executed "repairs" in the early 1970s.

The problems are daunting but in works such as the Edge Hill station restoration, works at Stoke-on-Trent or the Salford Bridge improvement schemes there are some real achievements and the evidence of success breeds success. Derby station remains a thorny problem and electrification presents new difficulties: there will never be enough money or physical resources, but at least the buildings of architectural importance now have their champions within the railway system and that is an important first stage in the battle.

Some of the exhibits are rather peripheral but have their own attraction, in particular a

watercolour of a scene from Adam Bede, "Dinah Morris Preaching" by E. H. Corbould, which was commissioned by Queen Victoria, who very much enjoyed the novel.

George Eliot confused her contemporaries, who had to balance her social solicitude in living with a married man against the high moral tone of her novels and their popularity, which reached as high as Queen Victoria and also later generations, who found her work worthy and dated in its Victorian preoccupations but undeniably "great." With a longer perspective George Eliot has returned to popularity, or rather her more domestic works like "Middlemarch" and "Mill on the Floss" are now well read, and the British Museum is in fashion in devoting a small exhibition to the anniversary of her death, a century ago last month.

In a small room close to the Magna Carta are set out autograph manuscripts of the novels; letters with her clever publishers Blackwoods of Edinburgh who quickly learned how to soft-soap her sensitive nature; and some likenesses of the writer and her friends. It is all rather didactic and literary, rather like taking a walk around a coffee-table book of George Eliot's life and work. The portraits range from the idealised to a striking chalk drawing by F. C. Burton which shows a face dominated by a strong nose and very intelligent eyes. George Eliot was a great intellectual and the exhibition portrays her as a rather forbidding lady; the personal side is missing, which is a pity.

The exhibition is rather pokey and is weak on such areas as finance and the everyday life of George Eliot, or rather Mary Anne Evans, or Mrs. Lewes (as she regarded and called herself) or Mrs. Cross as she became in the last months of her life when she married an old friend 20 years her junior. But intriguing insights emerge like the proliferation of unhappy marriages among her characters (perhaps she never came to terms with her own condition), and the fact that her loved brother would not acknowledge her while she lived, however respectfully, in sin. With the help of a detailed and free pamphlet, the exhibition offers an unrivalled opportunity for anyone keen to familiarise themselves with George Eliot and will surely act as a stimulus for a reading of the novels. It closes on April 26.

ANTONY THORNCROFT



Leonard Burz

Bart Stuyf Movement Group

## Elizabeth Hall

## Musikverein Quartet

The Musikverein Quartet came to Tuesday night's Elizabeth Hall concert with an able, well-modulated voice (on this occasion clouded by some early uncertainties of intonation); but the readings were not especially colourful, nor agile, nor forceful in their grip. At a guess, she could be a young singer of great promise whose voice is going through a crisis of re-learning, not yet settled. Of her three later groups of short songs, six Emily Dickinson settings by Copland were the most keenly characterised and comfortably

and rediscovered by Hans Moldenhauer in 1965. She has an able, well-modulated voice (on this occasion clouded by some early uncertainties of intonation); but the readings were not especially colourful, nor agile, nor forceful in their grip. At a guess, she could be a young singer of great promise whose voice is going through a crisis of re-learning, not yet settled. Of her three later groups of short songs, six Emily Dickinson settings by Copland were the most keenly characterised and comfortably

and rediscovered by Hans Moldenhauer in 1965. She has an able, well-modulated voice (on this occasion clouded by some early uncertainties of intonation); but the readings were not especially colourful, nor agile, nor forceful in their grip. At a guess, she could be a young singer of great promise whose voice is going through a crisis of re-learning, not yet settled. Of her three later groups of short songs, six Emily Dickinson settings by Copland were the most keenly characterised and comfortably

and rediscovered by Hans Moldenhauer in 1965. She has an able, well-modulated voice (on this occasion clouded by some early uncertainties of intonation); but the readings were not especially colourful, nor agile, nor forceful in their grip. At a guess, she could be a young singer of great promise whose voice is going through a crisis of re-learning, not yet settled. Of her three later groups of short songs, six Emily Dickinson settings by Copland were the most keenly characterised and comfortably

and rediscovered by Hans Moldenhauer in 1965. She has an able, well-modulated voice (on this occasion clouded by some early uncertainties of intonation); but the readings were not especially colourful, nor agile, nor forceful in their grip. At a guess, she could be a young singer of great promise whose voice is going through a crisis of re-learning, not yet settled. Of her three later groups of short songs, six Emily Dickinson settings by Copland were the most keenly characterised and comfortably

and rediscovered by Hans Moldenhauer in 1965. She has an able, well-modulated voice (on this occasion clouded by some early uncertainties of intonation); but the readings were not especially colourful, nor agile, nor forceful in their grip. At a guess, she could be a young singer of great promise whose voice is going through a crisis of re-learning, not yet settled. Of her three later groups of short songs, six Emily Dickinson settings by Copland were the most keenly characterised and comfortably

and rediscovered by Hans Moldenhauer in 1965. She has an able, well-modulated voice (on this occasion clouded by some early uncertainties of intonation); but the readings were not especially colourful, nor agile, nor forceful in their grip. At a guess, she could be a young singer of great promise whose voice is going through a crisis of re-learning, not yet settled. Of her three later groups of short songs, six Emily Dickinson settings by Copland were the most keenly characterised and comfortably

and rediscovered by Hans Moldenhauer in 1965. She has an able, well-modulated voice (on this occasion clouded by some early uncertainties of intonation); but the readings were not especially colourful, nor agile, nor forceful in their grip. At a guess, she could be a young singer of great promise whose voice is going through a crisis of re-learning, not yet settled. Of her three later groups of short songs, six Emily Dickinson settings by Copland were the most keenly characterised and comfortably

and rediscovered by Hans Moldenhauer in 1965. She has an able, well-modulated voice (on this occasion clouded by some early uncertainties of intonation); but the readings were not especially colourful, nor agile, nor forceful in their grip. At a guess, she could be a young singer of great promise whose voice is going through a crisis of re-learning, not yet settled. Of her three later groups of short songs, six Emily Dickinson settings by Copland were the most keenly characterised and comfortably

and rediscovered by Hans Moldenhauer in 1965. She has an able, well-modulated voice (on this occasion clouded by some early uncertainties of intonation); but the readings were not especially colourful, nor agile, nor forceful in their grip. At a guess, she could be a young singer of great promise whose voice is going through a crisis of re-learning, not yet settled. Of her three later groups of short songs, six Emily Dickinson settings by Copland were the most keenly characterised and comfortably

and rediscovered by Hans Moldenhauer in 1965. She has an able, well-modulated voice (on this occasion clouded by some early uncertainties of intonation); but the readings were not especially colourful, nor agile, nor forceful in their grip. At a guess, she could be a young singer of great promise whose voice is going through a crisis of re-learning, not yet settled. Of her three later groups of short songs, six Emily Dickinson settings by Copland were the most keenly characterised and comfortably

and rediscovered by Hans Moldenhauer in 1965. She has an able, well-modulated voice (on this occasion clouded by some early uncertainties of intonation); but the readings were not especially colourful, nor agile, nor forceful in their grip. At a guess, she could be a young singer of great promise whose voice is going through a crisis of re-learning, not yet settled. Of her three later groups of short songs, six Emily Dickinson settings by Copland were the most keenly characterised and comfortably

and rediscovered by Hans Moldenhauer in 1965. She has an able, well-modulated voice (on this occasion clouded by some early uncertainties of intonation); but the readings were not especially colourful, nor agile, nor forceful in their grip. At a guess, she could be a young singer of great promise whose voice is going through a crisis of re-learning, not yet settled. Of her three later groups of short songs, six Emily Dickinson settings by Copland were the most keenly characterised and comfortably

and rediscovered by Hans Moldenhauer in 1965. She has an able, well-modulated voice (on this occasion clouded by some early uncertainties of intonation); but the readings were not especially colourful, nor agile, nor forceful in their grip. At a guess, she could be a young singer of great promise whose voice is going through a crisis of re-learning, not yet settled. Of her three later groups of short songs, six Emily Dickinson settings by Copland were the most keenly characterised and comfortably

and rediscovered by Hans Moldenhauer in 1965. She has an able, well-modulated voice (on this occasion clouded by some early uncertainties of intonation); but the readings were not especially colourful, nor agile, nor forceful in their grip. At a guess, she could be a young singer of great promise whose voice is going through a crisis of re-learning, not yet settled. Of her three later groups of short songs, six Emily Dickinson settings by Copland were the most keenly characterised and comfortably

and rediscovered by Hans Moldenhauer in 1965. She has an able, well-modulated voice (on this occasion clouded by some early uncertainties of intonation); but the readings were not especially colourful, nor agile, nor forceful in their grip. At a guess, she could be a young singer of great promise whose voice is going through a crisis of re-learning, not yet settled. Of her three later groups of short songs, six Emily Dickinson settings by Copland were the most keenly characterised and comfortably

and rediscovered by Hans Moldenhauer in 1965. She has an able, well-modulated voice (on this occasion clouded by some early uncertainties of intonation); but the readings were not especially colourful, nor agile, nor forceful in their grip. At a guess, she could be a young singer of great promise whose voice is going through a crisis of re-learning, not yet settled. Of her three later groups of short songs, six Emily Dickinson settings by Copland were the most keenly characterised and comfortably

and rediscovered by Hans Moldenhauer in 1965. She has an able, well-modulated voice (on this occasion clouded by some early uncertainties of intonation); but the readings were not especially colourful, nor agile, nor forceful in their grip. At a guess, she could be a young singer of great promise whose voice is going through a crisis of re-learning, not yet settled. Of her three later groups of short songs, six Emily Dickinson settings by Copland were the most keenly characterised and comfortably

and rediscovered by Hans Moldenhauer in 1965. She has an able, well-modulated voice (on this occasion clouded by some early uncertainties of intonation); but the readings were not especially colourful, nor agile, nor forceful in their grip. At a guess, she could be a young singer of great promise whose voice is going through a crisis of re-learning, not yet settled. Of her three later groups of short songs, six Emily Dickinson settings by Copland were the most keenly characterised and comfortably

and rediscovered by Hans Moldenhauer in 1965. She has an able, well-modulated voice (on this occasion clouded by some early uncertainties of intonation); but the readings were not especially colourful, nor agile, nor forceful in their grip. At a guess, she could be a young singer of great promise whose voice is going through a crisis of re-learning, not yet settled. Of her three later groups of short songs, six Emily Dickinson settings by Copland were the most keenly characterised and comfortably

and rediscovered by Hans Moldenhauer in 1965. She has an able, well-modulated voice (on this occasion clouded by some early uncertainties of intonation); but the readings were not especially colourful, nor agile, nor forceful in their grip. At a guess, she could be a young singer of great promise whose voice is going through a crisis of re-learning, not yet settled. Of her three later groups of short songs, six Emily Dickinson settings by Copland were the most keenly characterised and comfortably

and rediscovered by Hans Moldenhauer in 1965. She has an able, well-modulated voice (on this occasion clouded by some early uncertainties of intonation); but the readings were not especially colourful, nor agile, nor forceful in their grip. At a guess, she could be a young singer of great promise whose voice is going through a crisis of re-learning, not yet settled. Of her three later groups of short songs, six Emily Dickinson settings by Copland were the most keenly characterised and comfortably

and rediscovered by Hans Moldenhauer in 1965. She has an able, well-modulated voice (on this occasion clouded by some early uncertainties of intonation); but the readings were not especially colourful, nor agile, nor forceful in their grip. At a guess, she could be a young singer of great promise whose voice is going through a crisis of re-learning, not yet settled. Of her three later groups of short songs, six Emily Dickinson settings by Copland were the most keenly characterised and comfortably

and rediscovered by Hans Moldenhauer in 1965. She has an able, well-modulated voice (on this occasion clouded by some early uncertainties of intonation); but the readings were not especially colourful, nor agile, nor forceful in their grip. At a guess, she could be a young singer of great promise whose voice is going through a crisis of re-learning, not yet settled. Of her three later groups of short songs, six Emily Dickinson settings by Copland were the most keenly characterised and comfortably

and rediscovered by Hans Moldenhauer in 1965. She has an able, well-modulated voice (on this occasion clouded by some early uncertainties of intonation); but the readings were not especially colourful, nor agile, nor forceful in their grip. At a guess, she could be a young singer of great promise whose voice is going through a crisis of re-learning, not yet settled. Of her three later groups of short songs, six Emily Dickinson settings by Copland were the most keenly characterised and comfortably

and rediscovered by Hans Moldenhauer in 1965. She has an able, well-modulated voice (on this occasion clouded by some early uncertainties of intonation); but the readings were not especially colourful, nor agile, nor forceful in their grip. At a guess, she could be a young singer of great promise whose voice is going through a crisis of re-learning, not yet settled. Of her three later groups of short songs, six Emily Dickinson settings by Copland were the most keenly characterised and comfortably

and rediscovered by Hans Moldenhauer in 1965. She has an able, well-modulated voice (on this occasion clouded by some early uncertainties of intonation); but the readings were not especially colourful, nor agile, nor forceful in their grip. At a guess, she could be a young singer of great promise whose voice is going through a crisis of re-learning, not yet settled. Of her three later groups of short songs, six Emily Dickinson settings by Copland were the most keenly characterised and comfortably

and rediscovered by Hans Moldenhauer in 1965. She has an able, well-modulated voice (on this occasion clouded by some early uncertainties of intonation); but the readings were not especially colourful, nor agile, nor forceful in their grip. At a guess, she could be a young singer of great promise whose voice is going through a crisis of re-learning, not

# FINANCIAL TIMES

BRACKEN HOUSE, CANNON STREET, LONDON EC4P 4BY  
Telegrams: Finanfilco, London PS4. Telex: 8954871

Telephone: 01-248 8900

Thursday January 8 1981

## Energy for industry

AFTER YESTERDAY'S discussion on industrial energy prices at the National Economic Development Council, the Government should have been left in no doubt that an important though limited, group of Britain's energy-intensive processes industries has been placed at a serious competitive disadvantage by government policies. NEDC has assembled ample evidence to confirm the Confederation of British Industry's claims that large electricity users pay up to 40 per cent more in Britain than on the Continent and that prices for bulk supplies of gas and heavy fuel oil in Britain are up to 20 per cent above Continental levels. For industries such as general chemicals, steel, paper and foundries, in which energy accounts for between 8 and 20 per cent of total costs, and which operate in highly competitive world markets with the finest of profit margins, such variations in input costs can spell the difference between success and failure.

### Tendentious

The representatives of industry seem to have scented at least a partial victory at yesterday's meeting, despite the fact that the Government's only tangible concession was to set up a task force to claw over the same ground that has already been covered by numerous industry committees, working parties and study groups. On this new task force, it seems that the Government may, for the first time, move beyond the tendentious arguments with which it has until now side-tracked the debate.

With luck, the Department of Energy's memorandum presented to the NEDC meeting may be one of the last attempts by the Government to meddle average and marginal prices, to confuse price changes and price levels and to disown responsibility for the pricing policies of the public sector industries, for the structure of its own tax system and for the irrational methods of financing nationalised industries, which places the burden of their capital investment on consumers rather than on investors in bonds.

### Conservation

It is because industry's complaints about energy prices for homes have now been limited to fairly specific points on bulk supplies that the Government could do some way to meet its requests while still maintaining its perfectly justified position that energy prices should reflect production costs, world market movements and the priorities of conservation.

## Turkey asks for more

HAVING TURKEY as an ally is an expensive process. Western governments and the international organisations which they dominate have long had to face this fact. Now the Turks are asking that the banks too should pull their weight to help the country through its protracted crisis.

The meeting to be held in London next Tuesday between Turkey and its main bankers will be very different from those dealing with official aid. The banks resent being asked to revise 1979 agreements covering \$3.2bn of credits. They also question whether they should increase their lending to Turkey, whereas Western governments have long been convinced on this point. The strategic importance of the country is obvious.

### Middle East

It forms the south-east flank of NATO and is the alliance's only Moslem member. Inevitably Brussels harbours the long-term hopes that one day it might be prepared to play an active part in the Middle East even if all recent governments in Ankara have rigidly excluded this. Further, it is a major if difficult market for Western exporters. And its foreign debt totals around \$16bn.

In 1978 and 1979 Mr. Bulent Ecevit, the then Prime Minister, made the mistake of assuming that these factors alone would ensure that Turkey would receive the aid it needed. His successor, Mr. Suleyman Demirel, appreciated that the West was also interested in the country, reversing over fifty years of economic history and opening its doors to foreign investment and trade. He started this process last January. In June the International Monetary Fund agreed to a \$1.65bn stand-by agreement, its largest credit ever in relation to quota. Members of the Paris-based Organisation for Economic Co-operation and Development, which groups the major Western countries, agreed to roll over \$3bn of official debts and approved a \$1.16bn aid package.

## ECONOMIC VIEWPOINT

# Where next on monetary control

THE UK inflation rate has come down faster than almost any forecaster predicted, yet an increase in the quantity of money has been way above not only the Government's targets but above what almost anyone who pays any attention at all to this indicator would consider reasonable.

How has this discrepancy occurred and does it matter? To answer the last question, first it does matter, but not in the naive way that mechanistic prophets suppose. The fact that the monetary aggregates have risen by about 20 per cent does not mean that inflation will automatically rise to that figure in two years' time, like a Mussolini express train. There is still time to prevent a reacceleration of inflation. If such a reacceleration occurs it will be because of the policy choices of the Government and Bank of England.

The statistical reason why a rapidly rising quantity of money coincided with a drop in inflation is that the velocity of circulation fell, and both output and the rate of inflation declined too.

But to say this is just arithmetic is misleading. The fundamental force at work was the rise in overseas demand for sterling. The reasons for the rise, such as the diversification of OPEC surplus funds, North Sea oil, political confidence and (at times) high interest rates are well known, although their relative contribution is not. The net result was a rise in the price of sterling, in other words, an appreciation in the sterling exchange rate.

Should sterling start to fall or even stop rising in 1981 and 1982 the overseas forces offsetting excess domestic monetary expansion will cease to operate.

Further creation of money on anything like the 1980 scale will then lead to the normal result of an inflationary boom, which will make at best a small and temporary dent in the unemployment figures and not even win the election for the party responsible for it.

How then is a monetary explosion to be prevented? Basically it is not a question of mechanics. In almost every inflationary episode the quantity of money exploded because the rulers of the country gave priority to other objectives.

This bias is what the Government should attempt to redress as quickly as possible. It would be perfectly consistent with the principles of market economics for energy industries to offer larger discounts for bulk and off-peak use, as they do in Germany and France or to follow these countries' examples by putting more of the burden of oil taxation on private motorists and less on industrial users of heavy fuel oil. In terms of energy conservation, a policy of higher prices for homes and lower prices for industry would be constructive since it is in homes that the greatest scope for conservation exists. There is nothing in economic theory or energy policy to suggest that the one country in Europe which is self-sufficient in energy should be pricing its energy users out of the market.

The narrow measure—M1—which the Bank of England keeps pointing (as it did in the Heath explosion) because it has been well behaved recently, is almost no good at all on its own. It excludes deposit (or what the Americans call savings) accounts, into which funds are transferred when nominal interest rates are high.

A problem about wider definitions is knowing when to stop. Sterling M3 includes deposit accounts but excludes other savings accounts which appear in the still broader measures of

The fact that the monetary aggregates have risen by about 20 per cent does not mean that inflation will automatically rise to that figure in two years' time, like a Mussolini express train. There is still time to prevent a reacceleration of inflation. If such a reacceleration occurs it will be because of the policy choices of the Government and Bank of England.

Basically it is not a question of mechanics.

private sector liquidity. But on the whole the broad measures have moved in roughly similar ways, and the real difficulty has been in control techniques.

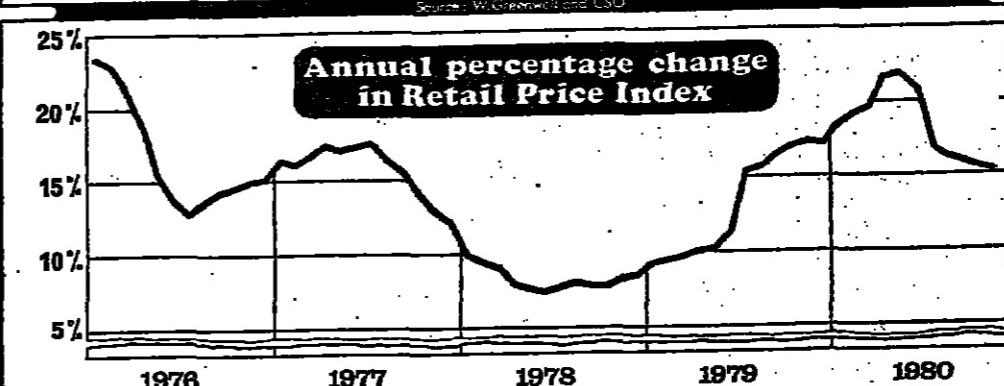
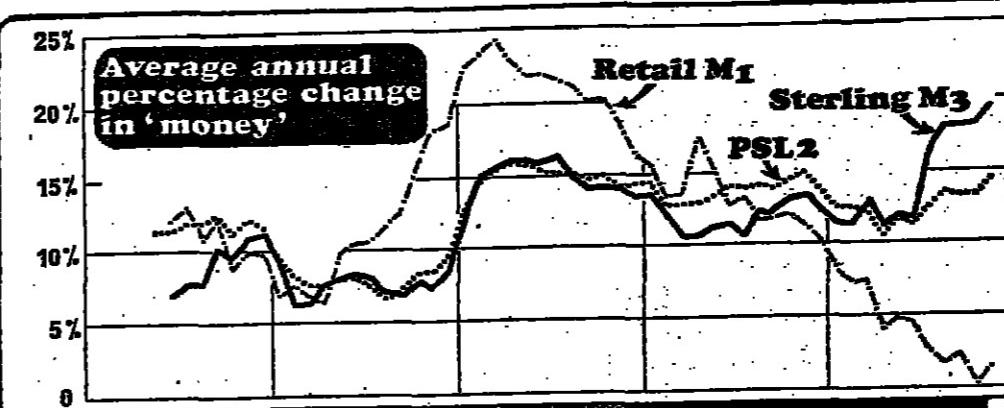
Any measure of money or credit can be looked at from either the assets or the liabilities side of the financial institutions concerned. The hitherto prevailing method of controlling Sterling M3 has been by trying to influence the assets of the banking system.

The key weapons have been the control of the Public Sector Borrowing Requirement and the interest rates. The Government has tried to estimate the PSBR which could be financed by sales of long-term securities to the banking system. It has also, with the Bank of England, tried to guess the level of

The Bank encourages lending to stave off bankruptcies

short-term interest rates which would keep lending to the private sector at a desired level and also lead to movements in long-term interest rates sufficient to make Government securities attractive to the non-bank public.

Naturally the process is uncertain and erratic. Higher interest rates do reduce borrowing from banks, notwithstanding silly clever assertions to the contrary based on the short-term effects of debiting accounts with interest payments. The trouble is that the lags are extremely long, and it is anyone's guess just what level of interest rates



Retail M1=notes, coins and non-interest bearing sight deposits; Sterling M3=notes, coins in circulation and all sterling deposits held by US residents; PSL2=Sterling M3, plus building society and savings deposits, etc.

would do the trick. The process is moreover undermined by the Bank of England's behind the scenes activities to encourage banks to lend to stave off bankruptcies.

These ensure that we have all the unemployment effects of recession without the offsetting benefits of corporate reorganisation and better use of physical assets.

An extra element of vulnerability is provided by the peculiar methods of selling Government stock. Under any system an increase in the budget deficit would mean higher interest rates, other things being equal. One might still suppose that, as in many other parts of the world, the Government would invite a competitive tender and sell the stocks to the highest bidder. The Bank of England, however, is hotly opposed to any such use of the "wheelbarrow" and prefers a tap system under which wrong guesses about market yields are immediately translated into increased monetary growth.

Another method of selling stock would be through gilts indexed to the rate of inflation. This would tap new markets, improve the profile of Government interest payments and do something to reduce the sheer incredibility of official anti-inflationary promises when the Government is borrowing at 13 per cent plus beyond the end of this century. To overcome the objection of the Bank of England Governor, Mr. Gordon Richardson, that indexed stocks would be bought up by OPEC holders, the Treasury devised "RIG" a restricted indexed gilt for sale to British institutions. Yet at the last moment Sir Geoffrey Howe, as is his wont

in the efficacy of official controls in the monetary area, a faith which they rightly lack everywhere else.

Faced with the erosion of reserve controls, there are two kinds of response represented at the extremes by the American and the Swiss. The U.S. Fed has invented new definitions (such as M1-B) to take into account money substitutes and has tried to extend the area of reserve requirements and regulations.

Although I would like to see a move in this direction nothing can do more harm to the cause of sound money than the use of

"monetary base" as a magic incantation.

The most superficial difficulty is that short term interest rates would be much more volatile under a base system, as they have proved to be in the U.S.

This would however be a very small price to pay if it would really bring lower inflation and a lower average level of interest rates.

A much more difficult com-

mon in the next few months will be that bankers' balances with the Bank of England will be influenced by open market operations—i.e., sales or purchases of Government securities in place of the present controlled methods. The object will be to maintain very short term interest rates within an unperturbed band, which might eventually replace the present Minimum Lending Rate.

If reform stops at this point we could be left with a pure interest rate policy operated at the Bank's discretion, with only the thinnest lip service to monetary targets. Whatever the difficulties of settling the latter, the ability to guess the level of interest rates appropriate at any time is a billion times rarer and is not possessed by gods let alone mere central bankers.

Under a proper monetary base system the object of regulation would not be interest rates at all, but the deposits of the commercial banks with the Bank of England (under some version of M1-B) to take into account money substitutes and tried to extend the area of reserve requirements and regulations.

But for all its efforts there are still many potential leaks, above all through the Euro-market which the European central bankers are reluctant to regulate at the Fed's behest.

All these targets for intermediate variables need moreover to be pulled together into one overall objective which the public could be taught to understand. Otherwise the system will provide no secure basis for public confidence and expectations. The obvious candidate, as I have stressed many times before, is money GDP which is the most commonly used measure of total spending and total incomes.

This is now rising at just over 10 per cent per annum. Much the most important thing is to make it clear that it will not be allowed to drift into high double figures again and that people will have to make their own choices about whether to take this expansion in the form of output and employment or higher pay and prices with continuing depression. This means maintaining the substance of the Medium Term Financial Strategy, although I am not optimistic that this will be done.

Samuel Brittan

## MEN AND MATTERS

### After Akroyds, Remnants

It is, all in all, on a buoyant note that David LeRoy-Lewis announces his intention of retiring from the chairmanship of Akroyd and Smithers, one of the big two stockbrokers among the City's seven sisters. Profits detailed in yesterday's annual report are up from £11m to £21m, while LeRoy-Lewis's profits linked remuneration rises from £22,853 to £93,832.

LeRoy-Lewis took over the Akroyd chair from Hugh Merriman in 1976, shortly after the company went public. It had then weathered well the troubled markets of recent years, and despite an unhappy 1978 in the gilts market, now rivals the unquoted partnership Wedd, Durlacher in size.

LeRoy-Lewis reckons to have made his main impact on the general administration of the company, a task which, he notes, has become increasingly complex during the expansion of the last few years. For that reason, he has not one, but two successors. Brian Peppell will take responsibility for all dealing operations, primarily in gilts, while Timothy Jones takes over the rest of Akroyd's affairs.

One person could have taken over," explains LeRoy-Lewis, "but not have stayed in the market. We have a very successful person in the market, a natural trader. To have let him take over responsibility for administration would have meant he would not have been able to devote himself to an appropriate degree to trading."

In Turkey the banks have certainly made mistakes. They went on lending to governments in the mid-1970s long after the first warning lights were sounding. Their loans, rolled over in 1979, are now part of the problem the Turks have to solve. The Turks have probably made a tactical mistake in asking the banks to revise the terms so soon. The banks have a crucial role to play in restoring financial stability to Turkey and they should be ready to take a long view, but the Turkish government should not expect them to behave like charitable institutions.

The ConsGold affair was subsequently investigated by Gaston Thord's Department of Trade and the Stock Exchange. The SE cleared Akroyd and stockbroker Rowe and Pitman of any rule-breaking, while noting that the jobbers "did not fall into contravention of the Companies Acts, by misapplying the exemption from which as jobbers they benefit."

"One has got to be guided by the rule-book," LeRoy-Lewis reflected when I asked him if he had any second thoughts on the affair. "It is very difficult to say that one would have done it any differently."

LeRoy-Lewis does not plan a total withdrawal from the City scene in favour of his other diversion, farming. He will continue to give considerable time to Touche Ross.

British senior commissioner Christopher Tugendhat has unsuccessfully consolidated his position by acquiring a room with a panoramic view through five large panes of glass. Those who have peeked through the portals of Ivor Richard's office assess the junior commissioner's window count at four.

There is little else to catch the eye in Richard's suite at the moment since it is one of several still being redecorated. The round but genial Richard has been so bereft of creature comforts that in final desperation he has snatched a sofa from the reception foyer to relieve the aches of floor squatting.

### Westward ho-ho

Peter Cadbury, former chairman and founder of Westward TV, was a swashbuckling figure yesterday. Dismissing his £75,000 payoff from the company, together with a handy payment of £65,000 to meet his legal costs, as a "tin hand-shake" he was not exactly well disposed towards Hambros.

Hambros, it may be remembered, purchased the crucial 40,000 "B" voting shares, held by Cadbury and Family interests, which represented 20 per cent of the company. The deal was done after Cadbury's tempestuous exit as Chairman of Westward after a boardroom battle with Lord Harris of Greenwich and strong words by the IBA.

For his stake and his family

interests Cadbury received £12,000 in November. Since then he has become embroiled in a wrangle with Hambros' director Christopher Sporborg over alleged undertakings given at the time of the sale.

I certainly had a gentleman's agreement that those shares should be offered to me for repurchase in the event of the franchise not being awarded. The shares were not to be used to support the board. I did not fight the board for five months for the shares to be used in that way," says Cadbury, unhappy with the support given by the bank for the re-election of the directors at last week's annual general meeting.

Over at Hambros Sporborg says that his understanding was that the shares were to be used "in the best interests of the company." He adds: "He can always come and see me and make me an offer for the stake."

"That's a start," says Cadbury.

### Victor ludorum

The Christmas quiz produced a small but almost perfectly informed response, testifying once more to the lively minds and prodigious dedication of this column's readership. Norman Garrett of Middlebrough is the man whose all-but-one correct solution wins the well-earned bottle of brandy and my heartfelt admiration. Full solution on request—but for those of you wondering, the Lord Chief Justice is the man with the suspender belt.

### Free fall

I'm not sure whether it is a sign of the Government's desperation or disimulation but the DOE's Employment Gazette published yesterday offers a year's subscription at £27.72 on one page and then at £28.52 in a second advertisement a few pages later.

Observer

**OBJECTIVE:  
Maximise return/  
Minimise risk  
on \$A transactions**

If you have an interest in Australian dollars then we invite you to call CTBA for a competitive exchange and deposit rate.

As part of Australia's largest banking organisation, we provide a full service in \$A for spot, forward and deposit transactions.

To discuss your requirements in this market which is growing in size and importance, contact our Foreign Exchange Manager Mr. M.J. (Muj) King in London 01-600 0822 (extension 242) today.

**Commonwealth Trading Bank of Australia**

A member of Australia's largest banking organisation.  
London 8 Old Jewry, EC2R 8EP. Tel (01) 600 0822. Fax 823 2454.  
New York Tel (212) 888 9220. Tel 238 5520.  
Hong Kong Tel (852) 524 4441. Tel 238 6660.



© 1981 CBA

## BRITAIN'S COMPUTER FLAGSHIP

# ICL hits rough water

By Guy de Jonquieres

ICL, the flagship of Britain's computer industry and the only big European-owned manufacturer of data-processing equipment, has hit a patch of unexpectedly rough water.

With no safe haven in sight, the hatches are being hurriedly battened down in anticipation of a turbulent and uncertain passage ahead.

Until recently, ICL was widely regarded as an unusually successful example of limited state intervention in industry. Formed out of a Government-sponsored merger of several computer companies in the late 1960s, it has been profitable for most of the 1970s and has captured some 35 per cent of the £2bn UK computer market. State assistance ended in 1976, and the last of the Government's holding was disposed of more than a year ago.

The suddenness with which its recent problems have developed has alarmed the Government, the City and ICL's management. Something seemed to be going badly awry when the company abruptly decided last September to withdraw firm job offers which it had made to 140 graduates only a matter of weeks before.

But ICL's first public admission that it was off course was not made until two months later, when it announced plans to lay off 2,500 workers, more than 10 per cent of its UK staff. It warned then that there would be "a significant and adverse" impact on its performance, whose dimensions are expected to emerge more fully in the annual report and accounts due out today.

The prediction has already been amply justified by the preliminary results for the year ended September 30, published last month. After a respectable

rise to £20.5m in the first half, pre-tax profits plummetted to only £4.6m in the second half. For the whole year, they were down 46 per cent.

The company, whose cash reserves of £16m were transformed into a £10.5m overdraft during the year, has been unable to offer any hope of improvement in the near term. Indeed, it has warned that a further deterioration is likely and has hinted that it has been operating at a loss since the end of September.

When ICL last suffered financial difficulties, in 1972, mainly because of the heavy cost of developing a new range of big computers, the Government stepped in with a £40m loan on easy terms. But Ministers seem disinclined to be so generous today. Instead, Department of Industry officials are seeking a wealthy private sector partner to inject funds into ICL. So far, there have been no takers.

Ironically, the storm has broken at the moment when ICL should be in the forefront of British industry's attempts to capture a share of the rapidly-expanding world market for information processing and computer technology. But its competitiveness will be badly impaired if it is unable to match the investments in the development of new products made by its international rivals. The biggest of these, IBM, spent \$1.4bn on research and development in 1979—equal to ICL's entire revenues that year.

ICL will also be more vulnerable on its home territory because of the removal from the end of last year of the preferential procurement policy which virtually guaranteed it all large Central Government computer contracts. This policy helped ICL to win the contro-

versial £40m order to computerise the Inland Revenue's Pay As You Earn operations. But in future, it will have to contend with aggressive competition from big US manufacturers in this sector as well.

ICL's management blames its recent problems on three main factors. First, the recession has weakened demand in the UK,

These hardships have exacerbated the effects of a problem which has affected other computer manufacturers, including the huge US-owned International Business Machines (IBM), over the past two years—a switch by cautious and financially-hard-pressed customers to leasing their machines instead of buying them outright.

Clearly, ICL had little direct control of many of these developments. But the sharp rise in its working capital last year suggests that the company may have been slow to recognise the depth of the downturn in demand, and in the City its management is widely criticised for not having responded more decisively.

ICL has yet to disclose exactly how deeply it has been forced to borrow. The City also wants a clearer explanation of why the provision for repurchasing computers from ICL's leasing affiliates rose by 150 per cent, twice as fast as the volume of leasing business.

The company ascribes the discrepancy mainly to exchange rate fluctuations and variations in leasing arrangements concluded in different countries. But it has not yet allayed suspicions that it got its sums badly wrong. Some analysts believe that it may have underestimated the cost of buying back machines leased in previous years but returned early by customers before ICL had fully amortised them. Analysts are also curious to know why all the leasing affiliates' extra borrowings last year were not carried on ICL's own balance sheet.

Paradoxically, this process may have been made worse by the popularity of one of ICL's latest products, the ME 28. Though classified as a medium-

sized computer, it offers higher performance at a lower cost than the older machines which it is designed to replace.

The management has created ill-feeling by refusing so far to discuss ICL's position in any detail with either the City or the Press. A broker who attended the presentation of the latest results said: "Most of us entered the meeting prepared to give the management the benefit of the doubt. But when we left, much of the credibility which the company has built up over the past few years had evaporated."

ICL's recently-appointed chairman, merchant banker Mr. Philip Chappell, has said that cash conservation will be a top priority in the coming year.

It has also developed two ingenious and unrivalled devices to enhance the performance of its big machines. One, known as the Distributed Array Processor (DAP), enables extra processing power to be added on to a computer. The other, the Content Addressable File Store (CAFS), greatly speeds up the retrieval of information from a computer data-base.

A similar case was argued forcefully, though unsuccessfully, by Mr. Geoffrey Cross, who was drafted in from Sperry Univac to become ICL's Managing Director after its difficulties in 1972. He resigned for family reasons in 1977 after masterminding the company's recovery, but a number of City observers feel that ICL could use another dose of his decisive and hard-driving management style now. Mr. Cross is now managing A. B. Dick, GEC's American office equipment subsidiary.

Mr. Graham Meek, electronics analyst at brokers Wood Mackenzie, believes that ICL's big computer business can only flourish in the longer term if EEC governments agree on a joint procurement policy that would discriminate in favour of European suppliers—and

some of the technically most advanced machines available.

Analysts believe that some of ICL's investment in its top-of-the-line products might have increased substantially in recent months, and with its share price down to about 70p from a high of 196p last year, a rights issue seems out of the question.

The Department of Industry's decision to seek a wealthy partner to team up with ICL suggests that Whittlehall officials may be uncertain about how quickly the company can achieve a turnaround by itself.

So far, the Department is known to have approached British Petroleum and Shell.

But both have politely declined, and the list of other possible British candidates appears short, particularly as the assignment calls for experience in the commercial management of electronic technology as well as for sizeable amounts of cash.

Meanwhile, reports of the Department's activities, coupled with the continuing silence of ICL's management about its plans, can hardly have helped ICL.

Mr. Philip Chappell, chairman of ICL.

against American manufacturers.

Mr. Meek, like other City analysts, believes that some of ICL's investment in its top-of-the-line products might have produced a better return if it had been spent on less glamorous projects designed to strengthen the company's position in the much faster growing market for smaller machines.

But sceptics claim that ICL's sales of £15m, last year were less than one tenth of IBM's, is not big enough to exploit the full commercial potential of these innovations in a fiercely competitive international market that is dominated by American manufacturers.

Mr. Graham Meek, electronics analyst at brokers Wood Mackenzie, believes that ICL's big computer business can only flourish in the longer term if EEC governments agree on a joint procurement policy that would discriminate in favour of European suppliers—and

some of the technically most advanced machines available.

Analysts believe that some of ICL's investment in its top-of-the-line products might have increased substantially in recent months, and with its share price down to about 70p from a high of 196p last year, a rights issue seems out of the question.

The Department of Industry's decision to seek a wealthy partner to team up with ICL suggests that Whittlehall officials may be uncertain about how quickly the company can achieve a turnaround by itself.

So far, the Department is known to have approached British Petroleum and Shell.

But both have politely declined, and the list of other possible British candidates appears short, particularly as the assignment calls for experience in the commercial management of electronic technology as well as for sizeable amounts of cash.

Meanwhile, reports of the Department's activities, coupled with the continuing silence of ICL's management about its plans, can hardly have helped ICL.

## Letters to the Editor

### Profitable investments

*British Transport Officers' Guild From the President*

Sir.—Your leading article January 2, raises a very important economic issue which deserves the most careful consideration from H.M. Government.

It has become increasingly evident that, as you state, "under the present system of public expenditure control, in which all public corporations' borrowings are lumped into the public sector borrowing requirement along with the deficits of local authorities and central government, potentially profitable investments in these (i.e., nationalised) industries are being delayed or abandoned." I can see no logical reason why a potentially profitable commercial project within a nationalised industry should continue to be classed with—for example—a deficit-producing municipal library project rather than with a similar commercial project in the private sector.

There is now an overriding need to adopt and develop a medium/long term industrial investment policy in an area where nationalised industries have a vital role to play; and this means taking a more strategic view than has been apparently recent. One can, of course, still see difficulties arising from the difference between a government's normal term of office and the long lead times for many of the investment projects in the public sector.

Your first step proposals for clarifying this situation however are eminently reasonable and practicable; and any moves along those lines would surely be welcomed by many of the currently frustrated managers in the nationalised industries.

M. H. Williams,  
British Transport Officers' Guild, Room 307,  
West Side Office,  
King Cross Station, N1

### Prudent cover

*From the Head of Information Export Credits Guarantee Department*

Sir.—Mr. Bharali (January 5) criticised the Export Credits Guarantee Department on a number of counts. Any long attempt at self-justification would be vain; no one is perfect. We welcome constructive criticism, and are particularly concerned about the delays to which he refers in getting reliable information on new buyers in certain parts of the world—though exporters who will bear a share of any loss, mostly prefer us to underwrite prudently rather than rashly.

But may I offer some facts on Mr. Bharali's other points. We have long applied selectivity in respect of policyholders' performance in assessing premium, and have recently announced steps to do it even more. On small contracts with Nigeria, dispensation from our extra security requirements is available in respect of buyers whose standing can be demonstrated by policyholders. We understand that Hermes cover for Turkey in recent years was not on commercial grounds, but part of West Germany's share of the Western aid programme. UK aid was channelled through the ODA; Japan's export credit insurers, EID/MTI, are bound

limits which may not always allow them to purchase the house of their first choice.

The various schemes operating in the clearing banks, while undoubtedly a "perf" definitely do not allow bank staff to buy a house on a whim, which is the impression to be gained from your article.

Roy Read,  
14 St. Clements Street, Winchester, Hants.

### Socially aware

*From the Parliamentary Affairs Officer, Institute of Directors.*

Sir.—We applaud Mr. Keith Macmillan's appointment as professor of management studies at the Administrative Staff College, Henley, with his emphasis on the social responsibility of business (Men and Matters January 5). We welcome such a young and obviously well qualified advocate to further what we have long been promoting, namely a much greater public recognition that industry and commerce recognises Professor Macmillan's point that "business is a social activity as well as an economic one."

As far back as 1961 this institute published the first edition of its code of conduct for directors. This was the first of its kind, and was prepared by a committee chaired by the then president of the Law Society, Sir Edwin Herbert. "Guidelines" which provide guidance on the range of a director's responsibilities, not only within the boardroom, but also his responsibilities towards employees, customers and shareholders, has been reprinted and revised over the years and has just gone into its 5th edition. It was well received when first published and has continued to maintain interest in this vitally important subject.

Professor Macmillan will not therefore be a lone voice. We will do what we can to help. If he indicates the idea of wider boardroom responsibility into the hearts and minds of young aspiring businessmen it will not only be of inestimable benefit to them but to the nation as a whole.

Patrick Bunyan,  
116, Pall Mall, SW1.

*From Mr. A. Pakenham-Walsh*

Sir.—An article in December 30 issue carried the subtitle "an auditor speaks", apparently to justify six half-columns of text about the accounting practice of banks which make a general provision, as well as a specific provision, for bad debts. The thrust of the article is a proposition that banks cannot be expected to identify specifically all loans likely to be bad or doubtful at the time of preparing the annual accounts, and, to the extent that bad and doubtful debts exist, beyond those specifically identified, a "general provision" can be justified. Otherwise, under company law, a general provision is a contradiction in terms.

The article by leaving it there reads like an apology for a questionable accounting practice. Would the author not proceed to test whether, in the event, the general provisions were required. An audit investigation, for example, of the banks' records over, say, the last three years would show which loans had in fact turned bad. The aggregate of these "badies" would constitute the justified part of past general provisions—unless of course the banks in the meantime had made them the subject of special provisions as well! Failure to make such a test would leave the auditor naked and failure to even mention its possibility leaves the author's article unconvincing.

Amory Pakenham-Walsh,  
Trinity College, Dublin.

### Compulsory reading

*From Mr. A. Turner*

Sir.—In your newspaper of January 6, your otherwise excellent report of the involved negotiations arena in the clearing banks was slightly marred by the impression given in the inset article reporting pay and conditions.

I am afraid that this article, in its constant reference to "very cheap mortgages," gives a false impression that all bank staff are paying next to nothing for a house mortgage and that they are available at the drop of a hat.

This is definitely not so. All banks having very stringent requirements before such a loan is granted, which invariably precludes most of the junior staff. Even the more senior staff who qualify for a mortgage have to accept loans within pre-set

### Beware of gifts by air freight

*From Mr. W. Jasper*

Sir.—A kind friend in New York sent me a book by an

freight through a much-advised freight agency.

It arrived just now, a bit late. The freight people phoned me to say the parcel had arrived and that they were awaiting instructions. Now, had the book been sent by post there would have been no problem. Air freight, however, today highly computerised, is troublesome and very, very expensive.

The agency wants £8 for handling the parcel, plus £3 for the "computer entry." That, however, would not get the parcel to me in London. It then wants to hand the parcel over to a customs and forwarding broker who for the princely fee of "about £25" would clear the parcel through customs for me to collect at a freight depot at Heathrow Airport. Delivery charges would probably be "extra."

Beware of gifts by air freight and perhaps readers should be warned to tell their friends and relations overseas to please, please not send anything by air freight but use the services of the postal authorities. That is so much faster, cheaper and simpler.

W. P. Jasper,  
93a, Belsize Lane, NW3.

*From Mr. A. Scard*

Sir.—I find Mr. Aylen's suggestion (January 6) that selling off part of our nationalised industries would increase monopoly and reduce competitiveness somewhat surprising—to say the least.

The case Mr. Aylen mentions of a possible merger of two British rod-makers would hardly constitute a monopoly since these products are widely available from plants overseas. A similar reply could be given in the case of the amalgamation of Sealink Ferries which has to face competition from all other kinds of transport across the Channel.

If Mr. Aylen is as worried about monopoly and lack of competitiveness as his letter suggests, he should direct his attention to the nationalised industries and the trade unions where he will find a rich harvest.

Although the Office of Fair Trading seems to be quite uninterested, it is only in the nationalised industries that we see monopoly and lack of competitiveness elevated to such a level as to seriously damage the nation's economy.

A. L. Beard,  
Woodfield, Spurton Hill, Worksop, Notts.

*From Mr. A. Gray*

Sir.—Before Christmas Mr. Brittan was exhorting us all to spend more money in order to help the unemployed. Now in the Lombard column (January 6) he is advising the Government to make saving money compulsory.

I suggest, therefore, that the record cannot be allowed to stand.

A. D. Turner,  
56, Selton Road,  
Croydon.

Has it occurred to your very enterprising performer of mental gymnastics that many members of society would find it impossible to spend and save more money simultaneously? Moreover the notion of curing any of our economic ills by compulsion of the type suggested is abominable.

Adrian Gray,  
31 Russell Road,  
Wimbledon, SW19.

### GENERAL

UK: Royal Commission on Criminal Procedure publishes report.

Mr. Enoch Powell speaks at Brookborough Hall, Belfast.

London International Boat Show opens, Earls Court (until January 18).

America's Cup yachting race challenge statement.

Sir Ronald Garda-Thorpe,

Lord Mayor of London, lunches

with partners of Knight, Frank and Rutley, Hanover Square; attends Armourers' dinner at Armours' Hall, EC3.

Nigerian British Chamber of Commerce discusses Nigerian

Budget for 1981 (second day).

London.

Mr. W. M. Scott, Ricardo Consulting Engineers, speaks on a passenger car diesel engine for America.

Department of Industry issues provisional figures of vehicle production for December.

**COMPANY MEETINGS**

## McCorquodale goes ahead

DESPITE the effect on UK operations of a print union dispute in April and May, taxable profits of McCorquodale and Co., worldwide specialist printer, went ahead from £4.56m to £4.64m in the year to September 30, 1980, on turnover of £80.84m against £87.75m.

The directors believe the UK companies are well able to face the deepening recession, and see no reason why the strong forward movement in overseas activities during the year should not continue.

They add that the group will pursue its search for profitable specialist businesses and will not hesitate to withdraw in a planned manner from any activities which do not indicate an adequate future return.

The dividend was stepped up from 7.51p to 7.89p net with a final of 5.25p.

The pre-tax surplus, up from £2.7m to £3.02m at midway, was struck after interest charges of £1.19m (£9.2m), but included associates' profits of £1.13m (£0.89m) and investment income of £136,000 (£183,000).

The directors say high capital investment and stock relief have virtually eliminated tax on the UK profits and the group is now beginning to benefit from tax losses available from previous years in the US. Thus the tax charge for the year is down from £1.32m to 50.72m.

Earnings per 50p share are up from 24.88p to 26.08p after extraordinary credits of £51,000 (£720,000), principally comprising the costs of closures and redundancies amounting to £524,000 after tax relief and currency exchange differences.

## Whessoe accounts again qualified by auditors

BECAUSE OF uncertainty created by a claim in respect of the Qatar contract, the annual accounts of Whessoe, the engineering group, have again been qualified by the auditors.

The Qatar Petroleum Producing Authority and the Qatar General Petroleum Corporation have served a writ upon Whessoe and Shell International Petroleum Management NV for loss, damage and expense arising out of a joint failure and destruction of the natural gas liquids facility storage plant at Umm Said, Qatar, in 1976 and 1977.

Whessoe is defendable. The Board says proceedings have been instituted and no provision has been made in the accounts.

The auditors, Peat, Marwick, Mitchell & Co, say in their report that the 1976 accounts reflect the extent of the failure. They cannot be quantified at this stage. Because of this uncertainty, they are unable to form an opinion as to whether the accounts give a true and fair view of the state of affairs of the company and of the group at September 27, 1980.

As reported December 4, the group incurred a pre-tax loss of £11.994 for the year to end September last, compared with £1.37m profits previously, and accordingly no dividend is being paid (60 total last time).

The result reflects exceptional redundancy and legal costs of £543,969 and severe losses in heavy engineering and Aiston's Canadian subsidiaries.

However, Lord Erroll of Hale, the chairman, says he is confident that the current year will see a pronounced recovery in group profitability and cash flow, with

## Bass profit £78m on CCA basis

CURRENT COST pre-tax profits of Bass, the breweries to hotels group, came out at £78m for the year ended September 30, 1980 and compares with an historical figure of £13.5m.

The cost figure was arrived at after adjustments for additional depreciation of £25m, cost of sales of £17m, less monetary working capital of £8m and £8m gearing.

Earnings per share on a CCA basis were 14.3p (27.2p historical).

As reported December 2, the reported taxable profits for the 1979-80 year were £1.8m higher than previously. There had been a slow start to the current year, with sales below expectations, but the board looked forward to a year of progress.

At the year end, shareholders' funds had increased from £595m to £563.8m. Secured and unsecured borrowings were down slightly at £151.5m (£162.5m).

Meeting, Grosvenor House, W., January 29, noon.

## Davenport will not escape recession

Trading throughout the brewing industry continues to be depressed and Davenport's Breweries (Holdings) is not shielded from this overall economic decline, says Mr. J. G. Swanson, chairman, in his annual report.

Although the inflation rate is slowing, the effects on trade of high unemployment and short-time working in most of the group's trading areas are expected to be felt throughout the year, he adds. No immediate improvement in the profit levels of previous years can be expected.

Nevertheless the group, which reported pre-tax profits down from £1.35m to £0.99m in the year to October 4, 1980, remains in a sound financial position.

Shareholders' funds at the year end stood at £10.43m, and bank overdraft was down from £1.12m to £603,000. The chairman says the substantially reduced bank borrowings were achieved mainly by the sale of assets which were not providing an adequate trading return and which involved minimum loss of barrelage.

Two shops were closed during the year and the Beer at Home depots at Bristol, Leeds, Oswaldtwistle and Harwell are currently in the process of closure because of their geographical location and unsatisfactory performance.

Meeting, Birmingham, January 29 at 12.15 pm.

## Opportunities for Jennings Bros.

Exciting and far-reaching development opportunities are to be lower in 1980-81 but the strength of the dividend cover and the degree of stability would determine dividend policy. He estimated that it would be the latter part of 1981 before any real improvement could be anticipated and that it would be early 1982 before this could be effective.

For the 12 months to end August, 1980, the co-buildings, plastics and engineering group reported pre-tax profits lower at £3.31m (£3.7m).

**BURMAH OIL**  
Kuwait Investment Office has acquired 200,000 Burmah Oil Company shares making its holding 5.57m shares (5.95 per cent).

## NatWest Investment Accounts

## NatWest Investment Accounts

NatWest announces that with effect from Tuesday 13th January, 1981 the rate applied to

**THREE MONTH NOTICE INVESTMENT ACCOUNTS** will be reduced from 14% to 13% per annum.

**SIX MONTH NOTICE INVESTMENT ACCOUNTS** will be reduced from 15% to 14% per annum.

**National Westminster Bank Limited**

## M. J. H. Nightingale & Co. Limited

27/28 Lovat Lane London EC3R 8EB Telephone 01-621 1212

1980-81 High Low Company Price Change Div (p) Gross Yield % B/E

75	39	Airsprung	64	+ 1	6.7	10.5	5.8
52	27	Armstrong & Rhodes	34	- 1	1.4	4.7	14.0
182	97	Associated Hotels	156	- 1	1.4	4.1	7.1
87	48	County Cars 10.7% Pl.	48	- 1	7.6	15.8	—
98	88	Deborah Ord.	96	- 1	5.5	5.7	4.8
125	82	Frank Morris	118	- 2	7.9	6.7	3.7
110	59	Frederick Parker	59	- 1	11.0	16.8	2.7
110	74	George Blair	75	- 1	3.1	4.1	—
104	58	Jackson Group	110	+ 1	6.9	6.3	4.2
327	244	Johnsborough	122	- 1	7.9	6.5	10.0
53	50	Scrutons "A"	53	- 1	3.1	9.8	—
224	218	Torday	220	- 1	15.1	6.9	3.7
50	50	Twickenham 15% ULS	14	- 1	—	—	—
55	39	Unilock Holdings	78	- 2	15.0	19.2	—
102	81	Walter Alexander	37	- 1	1.0	5.1	3.9
255	181	W. S. Yeates	102	- 1	5.7	5.5	5.6
253	253	Union Elect.	121	- 1	4.8	4.1	—

## UK COMPANY NEWS

## Westward may face heavy extra contingent liabilities

THE IBA's decision to withdraw the franchise from Westward Television next January has left the auditors of the West Country television contractor unable to say whether the company's latest accounts present a true and fair view.

Overseas subsidiaries and associates made a very important contribution during the past year, say the directors, and are very pleased by the performance of all the North American companies.

The National Graphical Association dispute, particularly damaged book printing, but other UK activities performed creditably in markets which were, and remain highly competitive.

### • comment

McCorquodale's 6 per cent pre-tax rise, accommodating as it did the near £500m cost of the protracted printing dispute, was well received and the shares tilted at the 12 month high of 50p before coming down to finish 15p on the good news of the day at 110p. At this level, McCorquodale is trading at 7 times historic fully taxed earnings and yields a comfortable 10.8 per cent. Much of the benefit stems from the eventual turnaround at the U.S. Falconer security printing businesses and the North American contribution turned round by some £500,000, a positive £500,000. The domestic contribution fell by about £600,000 and, in addition to the industrial disruption, the security printing division is only holding its own in monetary terms. Still, the unprofitable £2m part of the book typesetting division's £23m turnover has now been pored back. Longer term, there will be benefits for security printing as the huge size of the unbanked working population succumbs to wage credit transfer although the UK book printing industry faces a concerted attack on its world market position.

At the year end, shareholders' funds had increased from £595m to £563.8m. Secured and unsecured borrowings were down slightly at £151.5m (£162.5m).

Meeting, Grosvenor House, W., January 29, noon.

## Davenport will not escape recession

Trading throughout the brewing industry continues to be depressed and Davenport's Breweries (Holdings) is not shielded from this overall economic decline, says Mr. J. G. Swanson, chairman, in his annual report.

Although the inflation rate is slowing, the effects on trade of high unemployment and short-time working in most of the group's trading areas are expected to be felt throughout the year, he adds. No immediate improvement in the profit levels of previous years can be expected.

Nevertheless the group, which reported pre-tax profits down from £1.35m to £0.99m in the year to October 4, 1980, remains in a sound financial position.

Shareholders' funds at the year end stood at £10.43m, and bank overdraft was down from £1.12m to £603,000. The chairman says the substantially reduced bank borrowings were achieved mainly by the sale of assets which were not providing an adequate trading return and which involved minimum loss of barrelage.

Two shops were closed during the year and the Beer at Home depots at Bristol, Leeds, Oswaldtwistle and Harwell are currently in the process of closure because of their geographical location and unsatisfactory performance.

Meeting, Birmingham, January 29 at 12.15 pm.

## Opportunities for Jennings Bros.

Exciting and far-reaching development opportunities are to be lower in 1980-81 but the strength of the dividend cover and the degree of stability would determine dividend policy. He estimated that it would be the latter part of 1981 before any real improvement could be anticipated and that it would be early 1982 before this could be effective.

For the 12 months to end August, 1980, the co-buildings, plastics and engineering group reported pre-tax profits lower at £3.31m (£3.7m).

**BURMAH OIL**  
Kuwait Investment Office has acquired 200,000 Burmah Oil Company shares making its holding 5.57m shares (5.95 per cent).

## NatWest Investment Accounts

## NatWest Investment Accounts

NatWest announces that with effect from Tuesday 13th January, 1981 the rate applied to

**THREE MONTH NOTICE INVESTMENT ACCOUNTS** will be reduced from 14% to 13% per annum.

**SIX MONTH NOTICE INVESTMENT ACCOUNTS** will be reduced from 15% to 14% per annum.

**National Westminster Bank Limited**

## Bass profit £78m on CCA basis

CURRENT COST pre-tax profits of Bass, the breweries to hotels group, came out at £78m for the year ended September 30, 1980 and compares with an historical figure of £13.5m.

The cost figure was arrived at after adjustments for additional depreciation of £25m, cost of sales of £17m, less monetary working capital of £8m and £8m gearing.

Earnings per share on a CCA basis were 14.3p (27.2p historical).

As reported December 2, the reported taxable profits for the 1979-80 year were £1.8m higher than previously. There had been a slow start to the current year, with sales below expectations, but the board looked forward to a year of progress.

At the year end, shareholders' funds had increased from £595m to £563.8m. Secured and unsecured borrowings were down slightly at £151.5m (£162.5m).

Meeting, Grosvenor House, W., January 29, noon.

## NatWest Investment Accounts

## NatWest Investment Accounts

NatWest announces that with effect from Tuesday 13th January, 1981 the rate applied to

**THREE MONTH NOTICE INVESTMENT ACCOUNTS** will be reduced from 14% to 13% per annum.

**SIX MONTH NOTICE INVESTMENT ACCOUNTS** will be reduced from 15% to 14% per annum.

**National Westminster Bank Limited**

## Bass profit £78m on CCA basis

CURRENT COST pre-tax profits of Bass, the breweries to hotels group, came out at £78m for the year ended September 30, 1980 and compares with an historical figure of £13.5m.

The cost figure was arrived at after adjustments for additional depreciation of £25m, cost of sales of £17m, less monetary working capital of £8m and £8m gearing.

Earnings per share on a CCA basis were 14.3p (27.2p historical).

As reported December 2, the reported taxable profits for the 1979-80 year were £1.8m higher than previously. There had been a slow start to the current year, with sales below expectations, but the board looked forward to a year of progress.

At the year end, shareholders' funds had increased from £595m to £563.8m. Secured and unsecured borrowings were down slightly at £151.5m (£162.5m).

Meeting, Grosvenor House, W., January 29, noon.

## NatWest Investment Accounts

## NatWest Investment Accounts

NatWest announces that with effect from Tuesday 13th

## BIDS AND DEALS

## Tilling keeps up its expansion in the U.S.

THOMAS TILLING, one of Britain's largest industrial holding groups, is continuing its U.S. acquisition programme with the purchase of Spindletop Electrical Distributing Co., of Beaumont Texas, for \$2m (£124,000) cash. Tilling has spent some £185m on U.S. expansion in the last four years.

The latest acquisition, which represents a further extension of the group's electrical equipment market in the U.S., has been made through its Newey & Eye subsidiary. Newey, which manages Tilling's interests in electrical and electronic equipment distribution, has been expanding its U.S. operations rapidly in recent years.

Spindletop serves the industrial and electrical contracting market within the "Golden Triangle" region of Texas. The company, which achieved pre-tax profits of \$373,000 from sales of \$6.4m in the year ended February 29, 1980, will operate as a division of Sunbeam Electric, of Dallas, which joined the group in 1979.

Sir Patrick Meaney, the chief executive, said yesterday that around £100m would be spent on acquisitions and investment throughout the group this year.

He said that Tilling would continue to expand in the U.S. by acquisition and investment in existing companies which he described as "fill in expansion." But the group was also in the process of identifying other "recession proof" interests which would take it into new areas, he added.

Sir Patrick was "very optimistic" that the bottom of the recession had been reached in the UK but until markets improved the group he said would concentrate on being "as lean and efficient" as possible while capturing whatever market share it could.

## BOARD MEETINGS

The following companies have noticed dates of board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available at present. The dates and times of meetings and the sub-divisions shown below are based mainly on last year's timetable.

**TODAY**  
Intertec, Farnell Black, Electronic Rentals, NFD, M. Shand, Stoddard and Simpson, John Waddington.

**Finals:** Birmingham Pallet, English China Clay, Hickson and Welch, Pressures, Sidlow Industries.

**FUTURE DATES:**

Intermetals, British Carburettors, Jan. 12.  
Grey Electronics, Jan. 13.  
Diamond Stylus, Jan. 14.  
Jenkins (F. H.), Jan. 15.  
Woolwich Board Mills, Jan. 16.

**Finals:** Alexander Discount, Jan. 19.  
Braun (UK), Jan. 20.  
Brooke Tool Engineering, Jan. 21.  
Daily Mail and General Trust, Jan. 22.  
Grange Trust, Jan. 23.  
Stokes (Res), Jan. 24.  
Ward Holdings, Feb. 25.  
Watson and Philip, Feb. 26.

## ENGINEERS FORM NEW CONSORTIUM

Four engineering companies, Babcock, Wire Equipment, Francis Shaw and Co., McCorquodale Engineering and Northampton Machinery, have formed a new consortium, Intermetal, to provide a comprehensive service for the supply of plant and machinery to the wire and cable industry for new factories or major extensions overseas.

## ELECTROLOID PURCHASE

Electroloid, a subsidiary of W. Carron, the chemicals, metals and electronics group, has purchased, with effect from

December 31, 1980, certain stock, plant and machinery and patents from Oslo, manufacturers of the Combined English Stores Group, 14 leasehold shops for £400,000 cash. Maynards will also purchase the whole of Youngsters' stock for about £500,000 cash.

Oslo will subsequently change its name and in addition, royalties will be payable on sales of certain products.

Electroloid will market the products through two new companies to be known as Oslo and Oslo-Canning.

**LADBROKE COURAGE BUYS HOLIDAY SITE**

Ladbroke Courage Holidays, a company jointly owned by Ladbroke Holidays and Courage, has completed the purchase of Teignmouth Holiday Chalets, a freehold chalet and caravan site of around 100 letting units in South Devon.

The company now owns and operates four holiday villages in Devon and Cornwall and these are all managed and marketed by Ladbroke Holidays.

Ladbroke Courage intends to spend £250,000 in advance of the 1981 holiday season to provide luxury accommodation and holidaymaker facilities.

## AGB RESEARCH ACQUISITION

AGB Research has reached agreement in principle with Mr. Graham Kemp to acquire a controlling interest in Graham Kemp Associates, the contract-publishing, industrial communications and conference management group.

Kemp has grown in six years to a company with an annual turnover of some £1m of contract-publishing and industrial communications business. The group also organises a number of conferences including the recent winter frozen food congress in Monte Carlo.

**MAYNARDS** is to acquire from Youngsters Toys, a wholly owned subsidiary of the Combined English Stores Group, 14 leasehold shops for £400,000 cash. Maynards will also purchase the whole of Youngsters' stock for about £500,000 cash.

In a separate transaction not involving Maynards, the remaining one freehold and nine leasehold shops in the Youngsters chain have been sold for £200,000 cash. All the leasehold sales are conditional on landlords' consent.

The Combined English board says that the disposal of Youngsters' shops will release capital for reinvestment in profitable activities. Youngsters incurred trading losses before debt interest and credits profits on the disposal of properties, of £150,000 for the year ended January 26, 1980, and £214,000 for the 28 weeks ended August 9, 1980. The assets being sold have a book value of £800,000.

Maynards has acquired the shops for its Zodiac chain, increasing the number of outlets to 61. They are not likely to contribute for the five months to June 30, 1981 — Maynards' year-end — but they are expected to trade at a satisfactory profit level for the year ending June 30, 1982.

The board of Maynards says that, after receiving Christmas sales figures, early indications are that the trading profit of the group for the half-year to December 27, 1980, will compare favourably with the same period of 1979.

## C. H. INDUSTRIALS PROPERTY SALE

C. H. Industrials, the vehicle trim products and industrial property group which earlier this week announced an increase to 47.8 per cent in its investment in Aston Martin, the luxury car maker, is selling a recently completed industrial development in Buckingham for £2m.

The company said that the sale — which is being made to a nationalised industry pension fund — yields a gross profit, after construction costs, of around £1.5m tonnes.

The buildings are occupied by the group's Cementone subsidiary and have been leased back for 35 years at an initial rent of £180,000 per annum.

Mr. Tim Hearley, chairman of CHI, said that this is the third transaction within the property development programme and puts the activities of the property division on a very firm footing.

Last month CHI reported a drop from £50,000 to £135,000 in first-half current year profits.

To the last full year there were £1.18m on a turnover of £16.7m.

**TARMAC/FRANCIS AGGREGATES**

Tarmac Roadstone Holdings, a subsidiary of Tarmac group, has completed the purchase of Francis Aggregates from Francis Parker.

Tarmac has paid £1m for the company and its subsidiary, John Heaver (Holdings) and at the same time discharged loans of around £4.5m due from Aggregates to its bankers. These amounts have been satisfied by the issue of 2,311,494 Tarmac ordinary shares which have been placed with institutions.

Profits before tax and interest of Aggregates in 1979 are estimated by Francis Parker to have been around £800,000. The book value of the net tangible assets acquired by Tarmac is in the region of £5.5m.

## CAPARO HAS OVER 24% OF SINGOL

As a result of conversion of preference shares, Caparo Group and its subsidiaries now hold 5,810,783 ordinary (24.3 per cent) of Singol Group. D. M. Slocock, director, has acquired £23,000 15 per cent convertible loan stock 1984 and 50,000 ordinary. D. J. K. Wadham, director, has acquired £2,000 15 per cent convertible loan stock 1984.

**QUEENS MOAT SELLS RESTAURANT**

Queens Moat Houses has agreed, subject to final contract and shareholder approval, to the acquisition of 75 per cent of Landless Containers, a private company which specialises in the operational management and leasing of international freight containers.

The initial consideration will be £160,000 to be satisfied by a payment of £100,000 in cash and £60,000 in offsetting working capital over three years.

In addition to the sale proceeds, Cole will benefit by a £500,000 release from reserves in respect of deferred tax arising from stock relief.

Also, Cole Electronics will receive an income from retained equipment leases and service contracts estimated to exceed £500,000 during the next three years.

The Cole group — in which Monsanto has a 22.4 per cent shareholding — reported a turnover of £1.28m (£73.71m DFM156393).

## SCAFFOLDING DEAL

Grayston Scaffolding, a member of the Grayston Group of companies, has purchased 90 per cent of the equity of Industrial Scaffolding for £1.2m. It is the third major scaffolding acquisition carried out by the

group.

## ADVANCE SERVICES

ADVANCE SERVICES has issued 96,087 fully paid ordinary shares of 10p each, converted to ordinary stock units of 10p, as consideration for the acquisition of an outstanding minority interest in The Bournemouth Laundry, a non-trading Advance subsidiary.

A further issue of 8,726 fully paid ordinary shares, converted to stock, will be made to the remaining shareholder. If the holder accepts an option for the issue of such stock in lieu of cash for the remaining minority shareholding.

The transaction was first announced last June. Earlier

last year, Charterhouse entered

the American textile field with

buying 49 per cent of Carlton

Woolen Mills. Charterhouse then

said it intended to take a stake

of between 45 and 49 per cent

in the company being set up to

by the group.

## EDBRO HOLDINGS

Noble Grossart has acquired the holding of 948,499 Edbro (Holdings) shares from the executors of the late S. E. Gardiner (11.42 per cent). The shares will be registered in the name of the Bank of Scotland Central Nominees.

## FOR INFORMATION ONLY

## TRING HALL SECURITIES LIMITED

The Rights Issue of 1,296,908 Ordinary Shares of £1.00 fully paid each at £2.00 per share to Ordinary and Deferred Shareholders was fully subscribed.

Underwriters to the Issue

Northcote & Co.

Charlton Seal Dimmock & Co.

Coni Gilbert & Sankey

Earnshaw Haes & Sons

Renshaw & Co.

Schaverien & Co.

Sternberg Thomas Clarke & Co.

Tring Hall Securities Ltd.

40 Bucksbury

London EC4N 8BD

Tel: 01-248 5675

## MINING NEWS

## APPOINTMENTS

## Youngsters sells off toy shops

## Ghana seeks a gold revival

BY KENNETH MARSTON, MINING EDITOR

GHANA is seeking foreign capital and expertise to develop the country's undoubted gold potential. According to Accra radio Ghana's President Mills Lissimah said that gold mining was being given development priority.

He was quoted as saying that his government would provide special incentives to the gold mining sector in order to promote rapid foreign investments in the industry. He claimed that Ghana's gold deposits were richer, more pure and more easily extractable than those in South Africa.

The Accra report added that at the opening of a three-day gold seminar there the president said that the government had already undertaken a review of Ghana's existing investment laws and that a Bill would soon be put before parliament seeking to give the necessary legal authority in line with government's policy.

It would seek to reduce conditions at the same price was made to Bond Corporation Holdings, which now holds about 40 per cent of Endeavour. Shares of the latter were 39p in London yesterday.

A further placement of 2m

shares at 75 cents (37p) per share, compared with the recent price of around 80 cents a share in Melbourne, were made with International Consolidated Investments and Bouvet Investments.

A further placement of 2m shares at the same price was made to Bond Corporation Holdings, which now holds about 40 per cent of Endeavour. Shares of the latter were 39p in London yesterday.

A further placement of 2m

shares at the same price was made to Bond Corporation Holdings, which now holds about 40 per cent of Endeavour. Shares of the latter were 39p in London yesterday.

A further placement of 2m

shares at the same price was made to Bond Corporation Holdings, which now holds about 40 per cent of Endeavour. Shares of the latter were 39p in London yesterday.

A further placement of 2m

shares at the same price was made to Bond Corporation Holdings, which now holds about 40 per cent of Endeavour. Shares of the latter were 39p in London yesterday.

A further placement of 2m

shares at the same price was made to Bond Corporation Holdings, which now holds about 40 per cent of Endeavour. Shares of the latter were 39p in London yesterday.

A further placement of 2m

shares at the same price was made to Bond Corporation Holdings, which now holds about 40 per cent of Endeavour. Shares of the latter were 39p in London yesterday.

A further placement of 2m

shares at the same price was made to Bond Corporation Holdings, which now holds about 40 per cent of Endeavour. Shares of the latter were 39p in London yesterday.

A further placement of 2m

shares at the same price was made to Bond Corporation Holdings, which now holds about 40 per cent of Endeavour. Shares of the latter were 39p in London yesterday.

A further placement of 2m

shares at the same price was made to Bond Corporation Holdings, which now holds about 40 per cent of Endeavour. Shares of the latter were 39p in London yesterday.

A further placement of 2m

shares at the same price was made to Bond Corporation Holdings, which now holds about 40 per cent of Endeavour. Shares of the latter were 39p in London yesterday.

A further placement of 2m

shares at the same price was made to Bond Corporation Holdings, which now holds about 40 per cent of Endeavour. Shares of the latter were 39p in London yesterday.

A further placement of 2m

shares at the same price was made to Bond Corporation Holdings, which now holds about 40 per cent of Endeavour. Shares of the latter were 39p in London yesterday.

A further placement of 2m

shares at the same price was made to Bond Corporation Holdings, which now holds about 40 per cent of Endeavour. Shares of the latter were 39p in London yesterday.

A further placement of 2m

shares at the same price was made to Bond Corporation Holdings, which now holds about 40 per cent of Endeavour. Shares of the latter were 39p in London yesterday.

A further placement of 2m

shares at the same price was made to Bond Corporation Holdings, which now holds about 40 per cent of Endeavour. Shares of the latter were 39p in London yesterday.

A further placement of 2

**Alcoa of Australia Limited**

U.S. \$80,000,000

12% Bonds Due 1988

Paid as to U.S. \$250 per Bond  
and payable as to U.S. \$750 per Bond  
on 15th January, 1981.

## Notice to Bondholders

NOTICE is hereby given to persons entitled to Bonds that payment of the final instalment of U.S. \$750 per Bond is due to be made to Alcoa of Australia Limited on 15th January, 1981 (the due date) in immediately available funds. Accordingly,

(A) any such person whose holding of partly paid Bonds is shown in the records of CEDEL S.A. (CEDEL) must either—

(i) authorise CEDEL, not later than its opening of business on 14th January, 1981, to debit its account with CEDEL on that day with the amount due in respect of his holding of partly paid Bonds as shown in CEDEL's books at its close of business on 13th January, 1981 at the rate of U.S. \$750 per Bond; or

(ii) make payment of the amount due in respect of his holding of partly paid Bonds, at the rate of U.S. \$750 per Bond, in New York Clearing House funds to the account of CEDEL at Citibank N.A., 11 Wall Street, New York, New York 10043, Account No. 10545071, favour Alcoa Installment Collection Account, Account No. 18333, by not later than 10.00 a.m., New York time, on 14th January, 1981.

(B) any such person whose holding of partly paid Bonds is shown in the records of Euro-clear Clearance System Limited (Euro-clear) must authorise Euro-clear, not later than its opening of business on 14th January, 1981, to debit his account with Euro-clear on that day with the amount due in respect of his holding of partly paid Bonds as shown in Euro-clear's books at its close of business on 13th January, 1981 at the rate of U.S. \$750 per Bond; or

(C) any such person whose holding of partly paid Bonds is shown in the records of Euro-clear Clearance System Limited (Euro-clear) must authorise Euro-clear, not later than its opening of business on 14th January, 1981, to debit his account with Euro-clear on that day with the amount due in respect of his holding of partly paid Bonds as shown in Euro-clear's books at its close of business on 13th January, 1981 at the rate of U.S. \$750 per Bond; or

Alcoa of Australia Limited is entitled to accept payment of the final instalment of any Bond at any time after the due date. No payment made after the due date shall be accepted unless accompanied by a further payment representing interest accrued at the rate of 15 percent per annum. Alcoa of Australia Limited may elect at any time after 29th January, 1981 not to accept payment and shall be entitled to retain the first instalment of any Bond for which the final instalment has not been received and shall be discharged from any obligation to pay interest for any period subsequent to 15th January, 1981, or to repay, such first instalment.

Please note that fully paid interests in the temporary Global Certificates are only exchangeable into definitive Bonds on or after 15th January, 1981 upon presentation to CEDEL (either directly or through Euro-clear) or a certificate or certificates, in form supplied to persons entitled to Bonds by CEDEL or Euro-clear, to the effect that the beneficial owners of such fully paid interests and the definitive Bonds to be received in exchange therefor are not United States nationals or residents.

Neither CEDEL nor Euro-clear will clear any transactions in the Bonds for settlement on or after 15th January, 1981 unless such transactions are in fully paid Bonds.

8th January 1981 Alcoa of Australia Limited

## VONTobel EUROBOND INDICES

145.76=100%

PRICE INDEX 30.12.80 61.81 AVERAGE YIELD 30.12.80 61.81

DM Bonds 91.77 92.56 HFL Bonds &amp; Notes 9.353 9.277

HFL Bonds &amp; Notes 92.56 92.57 HFL Bonds &amp; Notes 10.336 10.251

U.S. 5 Strt. Bonds 88.03 88.74 U.S. 5 Strt. Bonds &amp; Notes 12.603 12.463

Can. Dollar Bonds 87.22 87.33 Can. Dollar Bonds 12.654 12.806

THE DECISION by seven leading international banks to create a formal certificate of deposit (CD) market in Special Drawing Rights (SDRs) reflects a desire to profit from steadily growing interest in the commercial application of the International Monetary Fund's composite currency unit.

Such commercial interest has received a significant boost from the IMF's simplification of the composition of the currency basket which determines the SDR's value. The basket now comprises only five major currencies—the U.S. dollar, sterling, yen, French franc and Deutsche Mark—while previously it had contained a total of 18 currencies.

Currencies for which no genuine forward market existed were included, making it extremely difficult for banks to quote a meaningful interest rate on SDRs, even with the aid of sophisticated computers.

Investors purchasing an SDR deposit were buying a small amount of such currencies as the volume of this market are difficult to obtain, although bankers involved in the business believe that the volume of such deposits

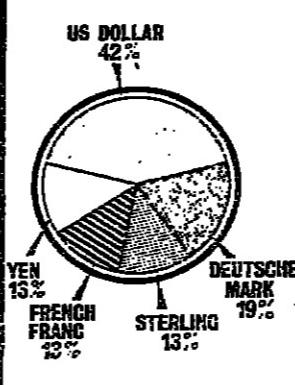
in which they might have had very little interest and which were difficult for all but the largest international banks to process.

Now, with the simplified basket, the new SDR is easier for investors to understand and banks can also rapidly break down an SDR-denominated receipt into its component parts and sell it in the forward currency markets.

The new SDR may be a less global hedge against currency fluctuations than the old version, yet it offers the possibility of a market with greater depth.

This is what the seven banks involved in the creation of a formal CD market aim to exploit in SDRs. All the banks, together with a handful of less active international banks, have contributed to a substantial build-up in the business of accepting SDR denominated deposits. Accurate estimates of the volume of this market are difficult to obtain, although bankers involved in the business believe that the lack of secondary trading

## WHAT'S IN THE NEW SDR



sits in the international system now exceeds the equivalent of \$2.5bn.

But there have, until now, been several significant obstacles which have prevented the market developing further—the lack of secondary trading

in SDR deposits and the limited number of depositors. Only about 10 major international corporations or institutions, several based in the Middle East, have been SDR depositors.

The introduction of a formal CD market should respond to both these problems.

The minimum deposit will be smaller—straight bank deposits have only been accepted in amounts equivalent to \$5m or more, while the minimum denomination in the CD market will be \$1m (\$1.29m)—and the existence of a CD market should make for secondary trading in deposits.

While SDR deposits therefore

form a growing part of a bank's liabilities, they do not in themselves make up part of the currencies concerned.

Such a notion is only a pipe dream at the moment, but progress is being made as large investors begin to grasp the possibilities of the SDR and its hedge against what seems to be chronically violent fluctuations of both currency and interest rates.

Retail investors are still a long way from this market, yet even at the wholesale level much education is still required.

The SDR, after all, is only a theoretical unit. With dollars in his pocket anyone can draw up at a petrol station in the U.S. and fill up with petrol. That this cannot be done with a wallet full of SDRs is something which still sticks in the throat of even the most sophisticated corporate treasurer.

## Prices rally prompts new issue deluge in dollar Eurobond sector

BY JOHN MAKINSON

THE NEW YEAR rally in the dollar bond markets prompted a deluge of new issues on the dollar Eurobond market yesterday, placing pressure on prices of old issues.

Together with S. G. Warburg, CSFB is also managing a \$75m floating rate note issue for the Bank of Tokyo. The maturity is 10 years and the notes carry a spread of 1 per cent above the mean of London interbank offered rates. The issue can be reduced to seven years at the investor's option.

DuPont is raising \$75m through a 10-year issue carrying a coupon of 13½ per cent. Wood Gundy is lead manager of the deal, which is expected to be priced at par. Morgan Stanley is arranging a \$75m five-year Eurobond for the Swedish Export Credit Corporation carrying a coupon of 13 per cent and priced at par.

Credit Lyonnais is expected today to launch a \$100m issue for Caisse Nationale de l'Energie. The bonds will be for 10 years and should bear interest at 12½ per cent. Bankers said that more issues

are expected over the next few days from borrowers who were virtually excluded from the market by the very high rates which prevailed for much of last year.

The secondary market for DM foreign bonds started the day with gains of around 1 point but fell back to opening levels after an issue of schuldscheine from the Federal Post Office.

The issue is of five- and 10-year paper yielding 9.02 per cent, attracting investors out of the Eurobond market.

The Swiss franc market maintained Tuesday's strength and prices were slightly better at the close. A new public issue is expected today for the Oesterreichische Kontrollbank through Swiss Bank Corporation.

## Volkswagen to cut 3,000 jobs in Brazil

By Rik Turner in Sao Paulo

VOLKSWAGEN do Brasil, the country's largest motor group, is to dismiss 3,000 employees by the end of next week, mainly as a result of cutting production by 200 units a day because of excessive stocks. Earlier this week it sent 7,000 workers on a 20-day holiday.

Sr. Admon Ganem, a director of Volkswagen do Brasil, said the cuts were forced on the company by the cost of financing stocks of about 31,000 vehicles. This is down from 50,000 over Christmas but exceeds the company's normal level of about 3,000.

The company had a difficult year in 1980 as it moved to build 60 per cent of its annual output of about 500,000 cars and vans with alcohol engines. The loss for the year is expected to be between Cr 2bn and Cr 3bn (\$4.6m) as a result of the switch and the initial poor market response to the alcohol-powered cars. Strikes and price controls also hindered the group.

Despite the poor start for alcohol vehicles, government incentives such as easier credit for alcohol-powered vehicles and the availability of alcohol fuel on Saturdays (petrol stations are closed at weekends) as well as rising petrol prices, resulted in Volkswagen do Brasil's production of alcohol-powered cars falling behind demand later in the year, while stocks of petrol-powered cars built up.

The German parent has already blamed losses from Volkswagen do Brasil and from its U.S. operations for the downturn in its profits from DM 436m to DM 252m (\$127m) for the first nine months of 1980.

Average price changes... On day +0% on week +1%

DM/BRL STRAIGHTS Issued Bid Offer day weak Yield

Asian Dev. Bk. 90 100 92.5 100.0 +0.0% 8.23

Austria Bk. 90 100 95.5 100.0 +0.0% 8.56

Austria, Rep. of Bk. 92 100 93.5 100.0 +0.0% 9.09

B.C.P. Bk. 92 100 92.5 100.0 +0.0% 9.07

Crédit Agricole Bk. 90 100 95.5 100.0 +0.0% 8.08

Danmark Bk. 92 100 95.5 100.0 +0.0% 8.88

ESCOM Bk. 90 100 97.5 100.0 +0.0% 8.96

Fin. Inst. Fin. Bk. 90 100 95.5 100.0 +0.0% 8.65

Fin. Inst. Fin. Bk. 90 100 95.5 100.0 +0.0% 8.57

Fin. Inst. Fin. Bk. 90 100 95.5 100.0 +0.0% 8.57

Fin. Inst. Fin. Bk. 90 100 95.5 100.0 +0.0% 8.57

Fin. Inst. Fin. Bk. 90 100 95.5 100.0 +0.0% 8.57

Fin. Inst. Fin. Bk. 90 100 95.5 100.0 +0.0% 8.57

Fin. Inst. Fin. Bk. 90 100 95.5 100.0 +0.0% 8.57

Fin. Inst. Fin. Bk. 90 100 95.5 100.0 +0.0% 8.57

Fin. Inst. Fin. Bk. 90 100 95.5 100.0 +0.0% 8.57

Fin. Inst. Fin. Bk. 90 100 95.5 100.0 +0.0% 8.57

Fin. Inst. Fin. Bk. 90 100 95.5 100.0 +0.0% 8.57

Fin. Inst. Fin. Bk. 90 100 95.5 100.0 +0.0% 8.57

Fin. Inst. Fin. Bk. 90 100 95.5 100.0 +0.0% 8.57

Fin. Inst. Fin. Bk. 90 100 95.5 100.0 +0.0% 8.57

Fin. Inst. Fin. Bk. 90 100 95.5 100.0 +0.0% 8.57

Fin. Inst. Fin. Bk. 90 100 95.5 100.0 +0.0% 8.57

Fin. Inst. Fin. Bk. 90 100 95.5 100.0 +0.0% 8.57

Fin. Inst. Fin. Bk. 90 100 95.5 100.0 +0.0% 8.57

Fin. Inst. Fin. Bk. 90 100 95.5 100.0 +0.0% 8.57

Fin. Inst. Fin. Bk. 90 100 95.5 100.0 +0.0% 8.57

Fin. Inst. Fin. Bk. 90 100 95.5 100.0 +0.0% 8.57

Fin. Inst. Fin. Bk. 90 100 95.5 100.0 +0.0% 8.57

Fin. Inst. Fin. Bk. 90 100 95.5 100.0 +0.0% 8.57

Fin. Inst. Fin. Bk. 90 100 95.5 100.0 +0.0% 8.57

Fin. Inst. Fin. Bk. 90 100 95.5 100.0 +0.0% 8.57

Fin. Inst. Fin. Bk. 90 100 95.5 100.0 +0.0% 8.57

Fin. Inst. Fin. Bk. 90 100 95.5 100.0 +0.0% 8.57

Fin. Inst. Fin. Bk. 90 100 95.5 100.0 +0.0% 8.57

Fin. Inst. Fin. Bk. 90 100 95.5 100.0 +0.0% 8.57

Fin. Inst. Fin. Bk. 90 100 95.5 100.0 +0.0% 8.57

Fin. Inst. Fin. Bk. 90 100 95.5 100.0 +0.0% 8.57

Fin. Inst. Fin. Bk. 90 100 95.5 100.0 +0.0% 8.57

Fin. Inst. Fin. Bk. 90 100 95.5 100.0 +0.0% 8.57

Fin. Inst. Fin. Bk. 90 100 95.5 100.0 +0.0% 8.57

Fin. Inst. Fin. Bk. 90 100 95.

## INTERNATIONAL COMPANIES and FINANCE

Terry Dodsworth on the Paris bourse

**Investors sit tight ahead of presidential election**

THE PARIS bourse has ended 1980 under the shadow of the presidential election. Polling in this seven-yearly contest is not due to start until April, but already investors are beginning to ask themselves whether President Giscard d'Estaing and the present system of economic management will still be there after the last votes are counted in May. Doubt has set in, and with it a sharp decline in share prices.

The reversal in the generally buoyant trend of the last three years started in mid-November. It followed a sustained rise in share values from the summer, leading to a high point in the same month of 120.3 on the CAC general Index which was an all-time record. At that stage, shares were 17.6 per cent ahead of their level at the end of 1978, and running well in front of the inflation rate of around 13.5 per cent. But once started, the downturn was contagious. By the end of December, the index had fallen back to 112.1 to emerge only 9 per cent ahead on the year.

The clear message of this downturn is that the bourse has settled into a wait-and-see attitude until the presidential election is over. If President Giscard decides to stand and is re-elected, the market can look forward to a continuing period of official approval and growth. If not—and the opinion polls have for the first time

raised the possibility of a Socialist victory—the bourse will be in for a prolonged period of disruption as it faces up to the Left's nationalisation plans.

Even without these electoral uncertainties, the market might have run out of steam this year after the last three years of heady growth. The Government, at least, recently came to the conclusion that a further touch of the accelerator was necessary in giving its full support to the Perouse Committee's plans for modernising trading methods. These proposals, designed to strip the bourse of its traditional mystique, were specifically aimed at attracting new investors and encouraging companies to turn to the stock market rather than bank finance.

The Perouse recommendations, heavily biased towards the use of electronic reporting methods, were the second element in a long-term plan for reform of the bourse which got under way after the defeat of the Left in the parliamentary elections of early 1978. During the past three years, the initial changes have succeeded in two main areas—in bringing new investors to the stock market, and in encouraging companies to move towards equity finance.

Both these trends were evident last year. New private funds attracted to the stock market by the so-called SICAV unit trusts, a method of invest-

ment which gives tax advantages to family savers, were maintained at about the same level as the previous year's FF 4bn (\$900m). At the same time, equity issues raised FF 5bn, only slightly less than the FF 5.3bn of 1978, after falling to FF 3.6bn in 1979.

Alongside these positive developments, however, the main weakness of the three-year-old bourse reforms was also illustrated. This centred around the failure of the market to attract fresh share quotations in sufficient numbers. With French industry going through a continuous process of reconstruction, new introductions to the bourse, at around five a year, are only sufficient to keep up with the rate of companies which disappear.

The result of this stagnation in new introductions, at a time of growing activity (bourse capitalisation grew from FF 222bn to well over FF 240bn last year), was to exaggerate the importance of certain stocks. Two new issues—those of the food companies Bongrain and Generale Biscuit—attracted massive over subscriptions last summer, leading to charges of speculation and a feeling that the market was overheating unhealthily.

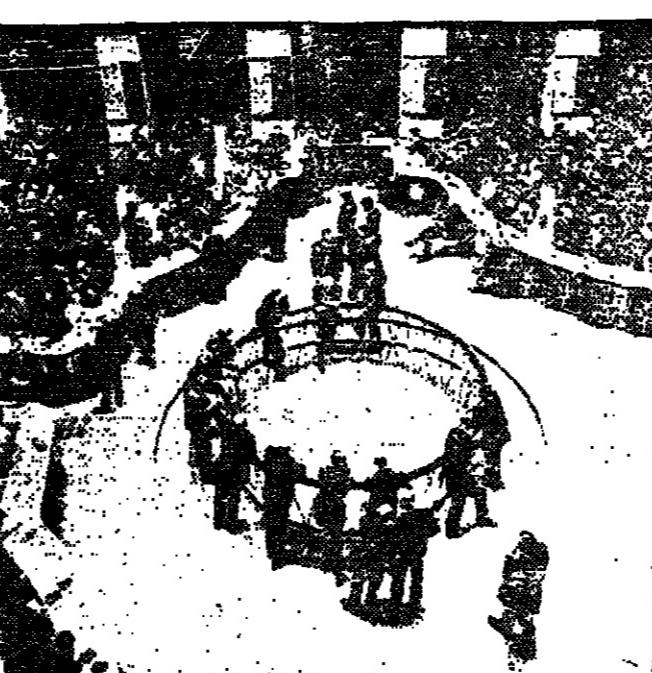
Whether the Perouse proposals would make much improvement in this trend through popularising the bourse remains to be seen. But during

the past year at least, investors have shown their interest in the growth sectors which might be expected to throw up potential new quoted companies. Activity has concentrated in particular on the food and electrical industries, both sectors where the government is aiding growth.

Among the other high-performing sectors last year, the armaments industry did particularly well (shares in the Marcel Dassault aerospace group rose from FF 660 to FF 960), along with several big construction companies which have been successful overseas. Oil shares, in contrast, stabilised after the enormous increases registered in 1978, while textiles and vehicle companies all went into reverse. Peugeot, the private car group, collected the wooden spoon with its shares tumbling by about

53 per cent to FF 125.

With forecasts of output showing little hope of a recovery before the summer, unemployment still rising and inflation heating up, this decline in the shares of manufacturing industry was not surprising. Many bourse commentators see little hope of a recovery in these areas for some time to come. But for the investing community, the big question at the beginning of 1981 is whether these gloomy prospects among the traditional industries will drag down the rest of the bourse as France marks time up to the forthcoming election.

**West German department stores struggle for growth in sales**

BY KEVIN DONE IN FRANKFURT

THE BIG retail store groups in West Germany struggled last year to keep pace with the low general rate of growth in the retail industry.

Karstadt, the biggest of the West German retail stores groups, achieved sales last year in its department stores of DM 9.5bn (\$4.9bn) an increase of 3.6 per cent. Disregarding the increase in floor space, the rise in turnover amounted to 3 per cent.

By contrast, the retail sector as a whole in the Federal Republic increased turnover last year by some 6 per cent in nominal terms—or just 1 per cent after inflation—to around DM 390bn.

Karstadt is also facing burdens from its majority-owned mail order subsidiary Neckermann, which is thought to have run up losses of DM 60m to DM 70m in the last 12 months and which has virtually exhausted its financial reserves. The Neckermann mail order business increased its turnover by 4.8 per cent to DM 1.67bn, but the travel subsidiary Neckermann und Reisen (NUR) sold 9.3 per cent less holidays in the year ended October, 1980. NUR's turnover showed a marginal increase of 1.8 per cent to DM 1.19bn.

Of the other major retail group, Kaufhof, the second largest department store group

in the Federal Republic, said yesterday that its turnover had increased by some 8 per cent last year to DM 8.63bn, chiefly because of the boost given by the inclusion for the first time of the Friedrich Wenz mail-order group. This new acquisition had a turnover of some DM 450m.

Excluding special factors, Kaufhof sales rose by some 4.2 per cent, said the company.

The smaller Horten group reported a turnover of DM 3.03bn in its 57 stores, an increase of some 14 per cent. The concern appears satisfied with its financial performance in 1980 chiefly because it has eradicated losses on food and groceries.

**Setback for Skis Rossignol**

By Our Financial Staff

SKIS ROSSIGNOL, the French maker of sports equipment which is a world leader in skis with more than a fifth of the global market, has suffered a severe setback to profits over the first half of the year ending March 1981.

At the pre-tax level, profits have fallen by more than half to FF 31.3m (\$6.7m) from the FF 72.3m returned for the opening six months of 1979-80. The downturn follows a decline of 10 per cent in sales which fell to FF 391m.

The company blames the poor performance of its ski making division for the setback with demand melting away noticeably in the U.S. Rossignol has also had to meet higher financial costs.

Activity during the current half year is proving more favourable but profits for 1980-81 will nonetheless show a marked deterioration, the company says.

This will be the third successive year that profits at Rossignol have fallen. For 1979-80 after tax earnings were FF 22m—a decline of 20 per cent—and the company cut its dividend by FF 6 to FF 20 a share.

**Bredero lifts earnings and turnover**

By Charles Batchelor in Amsterdam

PROFITS and turnover of Verenigde Bedrijven Bredero, the Dutch construction and property group, increased last year and further growth is foreseen for 1981.

Profit per F1 100 nominal share rose to more than F1 44 (\$21) from F1 41 in 1979 on share capital which was increased by 2.5 per cent by a stock dividend. Mr. A. Feddes, the chairman, said in a preliminary review of 1980. Turnover will exceed F1 1bn (\$475m) compared with F1 840m previously.

Growth came largely from foreign activities which accounted for more than 40 per cent of total business, against 36 per cent in 1979. Profits improved on construction work although turnover was barely changed.

Bredero expects to at least equal 1980's profit in the current year on 10 per cent higher turnover, half of which will be carried out abroad.

Bredero Vast Goed, the property subsidiary which has its own stock exchange listing, reported an 8 per cent increase in net profit to F1 28.60 per F1 100 nominal share. An improvement abroad more than made up for the decline in the Netherlands. Further growth is expected for 1981.

• Phillips, the Dutch electrical group, announced plans to shed a further 1,200 jobs in its electronic components division this year. This reduction, which will be achieved as far as possible by natural wastage, comes on top of an earlier run of 400. The division employs a total of 14,700.

This announcement appears as a matter of record only.

December 1980

**Linea Aerea Nacional de Chile****US \$17,000,000****Eight Year Loan**

to finance the purchase of an Advanced Boeing 737-200 aircraft

Managed by

Orion Bank Limited

Arab Latin American Bank  
—ARLABANK—

Associated Japanese Bank (International) Limited

Bayerische Landesbank International S.A.

National Bank of Canada (International) Limited

The Royal Bank of Canada (London) Limited

Agent

Orion Bank Limited

This advertisement is issued in compliance with the requirements of the Council of the Stock Exchange in London. It is not an invitation to any person to subscribe for or otherwise to acquire any securities of Dart &amp; Kraft, Inc.

**DART & KRAFT, INC.**  
(Incorporated with limited liability under the laws of the State of Delaware, United States of America)

Authorised	Share Capital	Issued and reserved for issue
\$250,000,000	50,000,000 shares of preferred stock of \$5 par value each	—
\$500,000,000	in 200,000,000 shares of common stock of \$2.50 par value each	\$141,001,887.50
\$750,000,000		\$141,001,887.50

(including 1,973,266 shares of Common Stock reserved for issue)

The Council of The Stock Exchange has admitted all the shares of common stock of Dart & Kraft, Inc. in issue or reserved for issue at 7th January 1981 to the Official List. Particulars relating to Dart & Kraft, Inc. are available in the statistical service of Exel Statistical Services Limited and copies of such particulars may be obtained during usual business hours on any weekday (Saturdays excepted) up to and including 21st January 1981 from:

Kleinwort, Benson Limited  
20 Fenchurch Street  
London EC3P 3DBHoare Govett Limited  
Heron House  
319/325 High Holborn  
London WC1V 7PB**IOT Corporation**

has sold

**Interstate and Ocean Transport Company and related tug and barge subsidiaries**

to

**Southern Natural Resources, Inc.**

We initiated this transaction, served as financial adviser to IOT Corporation, and assisted in the negotiations.

**WARBURG PARIBAS BECKER INCORPORATED**

A.G. BECKER INCORPORATED

January 1981

All of these Securities having been sold, this announcement appears as a matter of record only.

January 8, 1981

**CREDIT NATIONAL****U.S. \$50,000,000****13 3/4% Guaranteed Bonds due 1986****With Warrants to Purchase****U.S. \$50,000,000 (maximum)****13 3/4% Guaranteed Bonds due 1991****Unconditionally Guaranteed by****THE REPUBLIC OF FRANCE**

Salomon Brothers International

Banque Nationale de Paris

Algemene Bank Nederland N.V.

Banque Bruxelles Lambert S.A.

Crédit Lyonnais

Credit Suisse First Boston Limited

Goldman Sachs International Corp.

Merrill Lynch International &amp; Co.

Morgan Stanley International Orion Bank Limited

Société Générale de Banque S.A.

# Dunlop Olympic approves higher bid from North BH

BY OUR SYDNEY CORRESPONDENT

NORTH BROKEN HILL Holdings has strengthened substantially its partial takeover offer for Dunlop Olympic and seems set to gain control of the group and emerge as one of Australia's major industrial groups. The new bid values Dunlop Olympic at some A\$350m (U.S.\$415m).

North Broken Hill, the mining and investment house, yesterday unveiled an offer of four of its shares, ex-dividend, plus 36 cents cash for every nine Dunlop Olympic shares. The offer values Dunlop at A\$1.80 a share and won the approval of the Dunlop board after North Broken Hill scaled down its original target from 70 per cent to 45 per cent of the group's issued capital.

North will gain effective control of Dunlop Olympic, the diversified industrial group, if it reaches its stated target, taking into account its current holding. Dunlop Olympic was

formed last year when Dunlop Australia won an A\$90m takeover battle for Olympic Consolidated, the tyre, cable and industrial concern.

North had originally planned a straight one-for-three share swap, but was rebuffed by both the Dunlop board and major institutions which account for the bulk of the company's top 20 shareholders. Dunlop, of the UK, has an 8.4 per cent stake in Dunlop Olympic.

The latest offer was thrashed out after a fortnight's intensive negotiations and the cash addition is seen as the added weight tipping the scales in North Broken Hill's favour.

But the Dunlop Olympic board has driven a hard bargain and as the company's managing director, Mr. John Gough said yesterday: "It was hard to resist the offer when the effective price of Dunlop had been

lifted from A\$1.33 a share to A\$1.80."

The offer values the partial bid at A\$158m and is initially conditional on North's gaining 25 per cent acceptance from Dunlop Olympic shareholders.

Under the terms of the new offer, once the 25 per cent threshold is reached, Olympic shareholders will have until November 1 to make their decision.

If Dunlop Olympic shareholders do not accept that their acceptances are received before April 6, they will forego the tax-free benefit of the capital payment of 36 cents.

North and Dunlop Olympic will now share two directors, Mr. Leith Jarman and Mr. John Harper, and it is intended that when North reaches the 40 per cent level another Dunlop Olympic director will join the

## Exports help Argaman Industries

By L. Daniel in Tel Aviv

ARGAMAN INDUSTRIES, Israel's largest textile dyeing and finishing company, which also has subsidiaries producing sophisticated textile machinery, reports profits for the six months to September of Sh 4.4m (80.8m) against Sh 3m for the first half of 1978/79.

The gain of just over 45 per cent compares with a 50 per cent rate of inflation and reflects the Government's policy of restraining economic activity. This sharply reduced textile production for the local market, but the company succeeded in increasing its direct and indirect exports to Sh 25.2m from Sh 10.5m for April to September, 1979. Exports accounted for 40 per cent of output.

## Higher tax hits Amatil profit but payout raised

BY OUR SYDNEY CORRESPONDENT

AMATIL, the diversified food and tobacco group, in which BAT Industries of the UK holds nearly 40 per cent, has raised its dividend and will make a one-for-five scrip issue, despite a profit slip in the year to October 31. During the period group earnings dipped 3.7 per cent to A\$31.2m (U.S.\$37m) from A\$32.2m.

The annual dividend has been lifted from 19 cents to 20 cents a share with a final of 10 cents, covered by reduced earnings per share of 47 cents.

Strong performances in the tobacco, snack foods and beverage divisions were outweighed by setbacks in meat, pastoral, and packaging. The directors said that the one-for-five scrip issue is a sign of their

confidence in Amatil's growth. The new shares will not be eligible for the final dividend.

It is proposed that the authorised capital be increased from A\$85m to A\$100m through the creation of 15m A\$1 shares.

Turnover rose by 3.6 per cent from A\$1.1bn to A\$1.15bn and pre-tax profit rose by 7.1 per cent from A\$45m to A\$48.2m.

However, a 26.7 per cent rise in tax from A\$13.3m to A\$16.8m caused by the withdrawal of trading stock valuation adjustment and a drop in the investment allowance hit profits.

There were also extraordinary losses of A\$2.3m against a profit of A\$3.3m in 1979. Interest charges rose from A\$14.6m to A\$15.1m and depreciation from A\$14.5m to A\$14.8m.

## Sanyo Electric earnings to rise

OSAKA — Sanyo Electric Company, a major electric appliance manufacturer, expects to report a net profit of Y21.2bn (\$106m) for the year ended November 30, 1980, some 40 per cent higher than the Y15.13bn of 1978/79.

Mr. Kauru Iue, the company's president, said that sales were expected to show a rise of 16.5 per cent to Y680.6bn (\$34bn) from Y584.6bn a year earlier. The results will be officially

announced later this month.

Mr. Iue made no forecast of net profit for the current financial year, but expects sales to rise to Y770bn, following the start up of mass production of solar batteries and continued good sales of video cassette recorders (VCRs).

Sanyo plans to increase capital investment by 30 per cent to Y42bn this year, with expenditure centring on additional VCR production facilities and

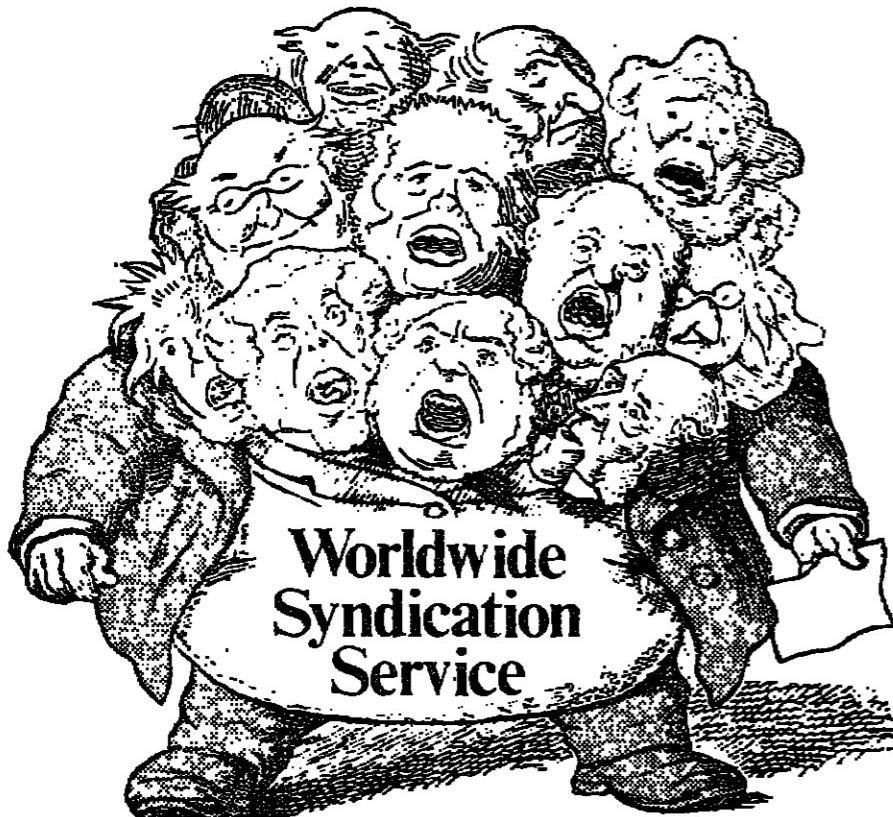
the company's solar battery plants.

It is intended to boost VCR production capacity to 2m sets a year by the end of 1981 from the present 80,000 a month.

The company will start production of video-disc players at a monthly rate of 10,000 from April, initially for sale in the U.S. at below \$500. The product is expected to be launched on the domestic market this autumn.

# Editors!

Do you know how much it would cost you to set up a news gathering operation like the Financial Times? Eight figures? More? But did you know that you can use a selection of FT material for your own publication at rates you can afford—and you make the selection yourself. To find out how to go about it, contact our syndication editor, Dennis Kiley at Bracken House 10 Cannon Street EC4P 4BY Telex: 885033



**FINANCIAL TIMES**  
EUROPE'S BUSINESS NEWSPAPER

## Business and Investment Opportunities

READERS ARE RECOMMENDED TO TAKE APPROPRIATE PROFESSIONAL ADVICE BEFORE ENTERING INTO COMMITMENTS

### RETAIL INVESTMENT OPPORTUNITY

Ontario, Canada

A well-established chain of four discount department stores is available for purchase.

The stores average 65,000 square feet each and are located in major urban centres in the Province of Ontario. Sales volume in the past two years has averaged \$22,000,000 per annum.

This business, which is profitable, has very favourable leases with remaining terms averaging 20 years. This acquisition is attractive in its own right or as a base operation for an expansion-minded merchant.

Interested parties should reply to:

Mr. Alan M. Lavine, C.A.

or

Mr. John Seigel, C.A.

LAVENTHOL & HORWATH

120 Adelaide Street West

Toronto, Ontario

Canada M5H 1T6

Telephone (416) 862-7900

Telex: 06-22545

### SAUDI ARABIAN CONTRACTOR

seeks affiliation with experienced European or U.S. building contractor which is qualified to serve as contract manager for public and private building projects.

Our principal would prefer to affiliate with a firm willing to afford to him an opportunity to participate in its equity.

Indications of interest should be accompanied by typical prequalification material giving information on past and present projects.

Written enquiries may be sent in absolute confidence, to T. R. Fuller, Room 606, 30 Farringdon Street, London EC4A 4EA, England. Principals only need apply.

### CITY INVESTORS

wish to acquire small Shipping and Forwarding Company.

Ideal candidate should have a turnover of approx. £250,000. Senior management positions would be available for suitable partner.

Please reply in strictest confidence to Box FT744, Financial Times, 10 Cannon Street, EC4P 4BY.

### PLASTICS

A City investing company wishes to acquire controlling interest in a medium-sized company in either injection moulding, blow-moulding or extrusion.

A strong management team with exceptional skills and adaptability would be an advantage.

Please reply to Box FT746, Financial Times, 10 Cannon Street, EC4P 4BY.

### CAPITAL AVAILABLE

For visible international projects. R.E., Bus., Expansion, Working Capital, Start-ups, Stand-by, Letters of Credit and Bank Guarantees available.

### BROKERS INVITED

SENIOR Minimum

Also excellent U.S. and Foreign investment opportunities available (Sized investments backed by International Bank Guarantees.)

Venture Capital Consultants

1631 Venture Blvd., Suite 299

Encino, California 91316, U.S.A.

Telephone (213) 785-0422

U.S.A. (213) 785-0422

### UNIQUE INVESTMENT OPPORTUNITY

Very successful Canadian Franchise organisation seeks master franchisee for the UK connected with the retail business—must stress unique corporate image and unusual product range. It would be

expected that the UK franchise would be able to establish a minimum of 150 franchised outlets within a 5 year period. The UK master franchised must have a minimum of £60,000 capital to set up a pilot operation, warehouse facilities and a good management team. Experience in retailing or franchising would be useful. Franchise negotiations will be conducted by existing specialist team.

Maximum total investment £150,000.

For details contact:

Raye Elliott, Raye Elliott Associates Limited, 185 Great Tattenham, Epsom Downs, Surrey

Telephone: Burgh Heath 59419

### STOCKBROKING

ANY MEMBER(S) OF THE STOCK EXCHANGE CURRENTLY RECEIVING LESS THAN 50% COMMISSION should seriously consider talking to our clients. They offer a 50% return commission and a tailor made scheme to suit an individual or a group of individuals.

Interested principals should contact:

David Robinson of

Spicer and Pegler

Management Consultants,

St. Mary Axe House,

56/60 St. Mary Axe,

London EC3A 8BY.

### HAVE YOU A PROBLEM?

Are you petro-chemical, gas, oil or marine civil engineering in the UK or overseas?

#### —PERHAPS WE CAN HELP—

We are a specialist Mechanical Engineering Company with experienced teams of Coders and Plate Welders, Mechanical and Pipe Fitters, Test Operators; Instrumentation Electrical and Pre-Commissioning personnel, etc. with our own equipment.

NUNGRUN LIMITED

12 Cannons Lane

Tadworth, Surrey

Telephone Jack Roberts

Burgh Heath 40812

### COULD YOUR COMPANY DO BETTER?

A Chief Executive with an outstanding track record over the last 10 years and a desire to expand his company's plans to be available to sell to us for a number of Cumbrianshire companies.

Corporate experience in Manufacturing, Business and Company Development, Marketing, Sales, Retailing and Management.

Proprietors of companies committed to growth who are determined to submit their business to us for a free appraisal and share value are invited to write to us on a confidential basis.

Write Box FT741, Financial Times, 10 Cannon Street, EC4P 4BY, and arrange initial discussions.

Telephone 01-397 9499

### IBM ELECTRIC TYPEWRITERS

Factory reconditioned and guaranteed by IBM

Lease 3 years from under £5 weekly

Refundable deposit £20 per month inc. full service

Call: 01-397 9499

Write Box FT741, Financial Times, 10 Cannon Street, EC4P 4BY.

Telephone 01-397 9499

Telex: 06-282 8262

Write Box FT741, Financial Times, 10 Cannon Street, EC4P 4BY.

Telephone 01-397 9499

Telex: 06-282 8262

Write Box FT741, Financial Times, 10 Cannon Street, EC4P 4BY.

Telephone 01-397 9499

Telex: 06-282 8262

Write Box FT741, Financial Times, 10 Cannon Street, EC4P 4BY.

Telephone 01-397 9499

Telex: 06-282 8262

Write Box FT741, Financial Times, 10 Cannon Street, EC4P 4BY.

Telephone 01-397 9499

Telex: 06-282 8262

Write Box FT741, Financial Times, 10 Cannon Street, EC4P 4BY.

Telephone 01-397 9499

Telex: 06-282 8262

Write Box FT741, Financial Times, 10 Cannon Street, EC4P 4BY.

# CURRENCIES, MONEY and GOLD

## Dollar recovers

Dollar recovered some of its recent losses in quiet but erratic trading, helped by rumours that a solution to the hostages crisis in Iran was imminent. Euro dollar rates were generally weaker, but some dealers felt that the downward decline was unlikely to be as sharp as the fall last year when prime rates fell from 20 per cent to 11 per cent in a 12 week period. The market also noted comments by Mr. Paul Volcker, chairman of the Federal Reserve Board, that U.S. M1-A and M1-B money supply figures were likely to be close to the upper limits set at the beginning of 1980.

European currencies eased back against the dollar. Within the EMS, the French franc remained at the top of the system closely followed by the Dutch guilder. The Belgian franc continued to trade towards the lower end of its permissible range and was placed ahead of only the Italian lira which remained the weakest currency. Sterling benefited slightly from a lower trend in U.S. interest rates but showed little overall movement.

**DOLLAR** — trade weighted index (Bank of England calculation) rose from 83.2 to 85.4. The dollar was mostly firmer, closing at DM 1.8450 from DM 1.8315 and SwFr 1.7615 compared with SwFr 1.7450. It finished around its best level of the day helped by late demand out of the U.S. Against the yen it closed at Y201.40 from Y199.60.

**STERLING** — trade weighted index (Bank of England) was unchanged at 79.1, having stood at 79.1 at noon and 79.0 in the morning. The pound traded very quietly, showing little overall change. Against the dollar it opened at \$2.4130 and traded between \$2.4225 and \$2.4100 before closing at \$2.4125-2.4135.

**D-MARK** — Remaining weak near the bottom of the European Monetary System, reflecting

Germany's poor balance of payments position. High U.S. interest rates have also caused problems for the D-mark, but the German currency has improved as U.S. rates have declined recently, and also gained some strength from the easing of tension over Poland.

The D-mark was weaker all round at yesterday's fixing in Frankfurt with sterling rising to DM 4.6860 from DM 4.6860, and the French franc at DM 4.324, per FF 100, against DM 4.316.

News that West German unemployment figures had reached 1m in December for the first time in 12 months tended to underline the recent weakening of the economy, and had only a small effect on trading. The dollar was fixed at DM 1.8400 from DM 1.8320 on Tuesday and an opening level of DM 1.8445. The dollar may have been oversold just recently but was still showing a softer tendency in reaction to a further decline in U.S. interest rates.

**JAPANESE YEN** — very firm influenced by Japan's strengthening economic performance, and the fall in U.S. interest rates. The yen was weaker against the dollar in Tokyo yesterday as the U.S. unit recovered some of the ground lost recently to close at Y201.25 compared with Y199.60 previously. The dollar's recovery was due in part to official resistance in the last few days to any further appreciation in the yen, and while the Bank of Japan did not intervene yesterday, there would probably have been some support had the dollar fallen further than the day's low of Y199.65. The Bank of Japan has already given an estimated \$800m of support so far this month. The U.S. unit touched a new level of Y201.40 on rumours of a solution to the hostage situation in Iran. News of a reduced Japanese trade deficit in the first 20 days in December came too late to affect trading.

**OTHER CURRENCIES** — the Bank of England's calmer rose from 83.2 to 85.4. The dollar was mostly firmer, closing at DM 1.8450 from DM 1.8315 and SwFr 1.7615. It finished around its best level of the day helped by late demand out of the U.S. Against the yen it closed at Y201.40 from Y199.60.

**STERLING** — trade weighted index (Bank of England) was unchanged at 79.1, having stood at 79.1 at noon and 79.0 in the morning. The pound traded very quietly, showing little overall change. Against the dollar it opened at \$2.4130 and traded between \$2.4225 and \$2.4100 before closing at \$2.4125-2.4135.

**D-MARK** — Remaining weak near the bottom of the European Monetary System, reflecting

### THE POUND SPOT AND FORWARD

	Day's spread	Close	One month	% p.a.	Three months	% p.a.
Jan. 7						
U.S.	2.4100-2.4225	2.4125-2.4135	0.65-0.75c/ds	-3.48	1.35-1.45ds	-2.32
Canada	2.8820-2.8780	2.8825-2.8835	0.70-0.80c/ds	-5.00	61-51p.m.	-6.81
Britain	5.1000-5.1175	5.1000-5.1175	15-20c/ds	2.23	26-29p.m.	1.80
Denmark	14.42-14.48	14.42-14.47	21-10c.p.m.	1.04	4pm-11pm	0.14
Ireland	1.2510-1.2560	1.2520-1.2540	0.22-0.30p.m.	1.47	0.29-0.18p.m.	0.71
W. Ger.	4.65-4.71	4.65-4.70	21-11p.m.	5.11	65-55pm	5.00
Portugal	12.87-12.77	12.87-12.77	30c-45c/ds	0.71	45pm-120ds	-1.15
Spain	18.00-18.00	18.00-18.00	60c-70c/ds	0.71	45pm-120ds	-1.15
Norway	10.52-10.53	10.52-10.53	45-55c/ds	3.46	11-18p.m.	3.32
France	10.50-10.59	10.50-10.57	35-45c/ds	3.59	7-6p.m.	2.56
Sweden	10.48-10.53	10.48-10.51	25-35c/ds	3.57	6-7p.m.	2.52
Japan	480-490	484-495	2.75-2.80p.m.	6.67	17.50-18.30p.m.	7.45
Austria	33.15-33.40	33.17-33.22	8-10p.m.	2.17	25-28p.m.	2.89
Switz.	4.22-4.26	4.24-4.26	35-45c/ds	7.78	8-9p.m.	7.93

Belgian rate is for convertible francs. Financial francs 75.55-75.65. 3-month forward francs 180.200s ds. 12-month 200.20-230s ds.

UK, Ireland and Norway are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency.

	Day's spread	Close	One month	% p.a.	Three months	% p.a.
Jan. 7						
UK	2.4100-2.4225	2.4125-2.4135	0.65-0.75c/ds	-3.48	1.35-1.45ds	-2.32
Ireland	5.1000-5.1175	5.1000-5.1175	15-20c/ds	2.23	26-29p.m.	1.80
Canada	1.1885-1.1893	1.1885-1.1893	0.14-0.20p.m.	1.11	0.21-0.16p.m.	0.82
Netherlands	10.2550-11.2110	11.2100-11.2110	1.55-1.65c/ds	8.81	3.70-3.80p.m.	6.92
Belgium	31.19-31.25	31.22-31.25	165-175c/ds	6.05	32-39p.m.	3.97
W. Ger.	4.65-4.71	4.65-4.70	21-11p.m.	5.11	65-55pm	5.00
Portugal	12.87-12.77	12.87-12.77	30c-45c/ds	0.71	45pm-120ds	-1.15
Spain	18.00-18.00	18.00-18.00	60c-70c/ds	0.71	45pm-120ds	-1.15
Norway	10.52-10.53	10.52-10.53	45-55c/ds	3.46	11-18p.m.	3.32
France	10.50-10.59	10.50-10.57	35-45c/ds	3.59	7-6p.m.	2.56
Sweden	10.48-10.53	10.48-10.51	25-35c/ds	3.57	6-7p.m.	2.52
Japan	480-490	484-495	2.75-2.80p.m.	6.67	17.50-18.30p.m.	7.45
Austria	33.15-33.40	33.17-33.22	8-10p.m.	2.17	25-28p.m.	2.89
Switz.	4.22-4.26	4.24-4.26	35-45c/ds	7.78	8-9p.m.	7.93

Belgian rate is for convertible francs. Financial francs 75.55-75.65. 3-month forward francs 180.200s ds. 12-month 200.20-230s ds.

UK, Ireland and Norway are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency.

THE DOLLAR SPOT AND FORWARD

	Day's spread	Close	One month	% p.a.	Three months	% p.a.
Jan. 7						
UK	2.4100-2.4225	2.4125-2.4135	0.65-0.75c/ds	-3.48	1.35-1.45ds	-2.32
Ireland	5.1000-5.1175	5.1000-5.1175	15-20c/ds	2.23	26-29p.m.	1.80
Canada	1.1885-1.1893	1.1885-1.1893	0.14-0.20p.m.	1.11	0.21-0.16p.m.	0.82
Netherlands	10.2550-11.2110	11.2100-11.2110	1.55-1.65c/ds	8.81	3.70-3.80p.m.	6.92
Belgium	31.19-31.25	31.22-31.25	165-175c/ds	6.05	32-39p.m.	3.97
W. Ger.	4.65-4.71	4.65-4.70	21-11p.m.	5.11	65-55pm	5.00
Portugal	12.87-12.77	12.87-12.77	30c-45c/ds	0.71	45pm-120ds	-1.15
Spain	18.00-18.00	18.00-18.00	60c-70c/ds	0.71	45pm-120ds	-1.15
Norway	10.52-10.53	10.52-10.53	45-55c/ds	3.46	11-18p.m.	3.32
France	10.50-10.59	10.50-10.57	35-45c/ds	3.59	7-6p.m.	2.56
Sweden	10.48-10.53	10.48-10.51	25-35c/ds	3.57	6-7p.m.	2.52
Japan	480-490	484-495	2.75-2.80p.m.	6.67	17.50-18.30p.m.	7.45
Austria	33.15-33.40	33.17-33.22	8-10p.m.	2.17	25-28p.m.	2.89
Switz.	4.22-4.26	4.24-4.26	35-45c/ds	7.78	8-9p.m.	7.93

Belgian rate is for convertible francs. Financial francs 75.55-75.65. 3-month forward francs 180.200s ds. 12-month 200.20-230s ds.

UK, Ireland and Norway are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency.

THE DOLLAR SPOT AND FORWARD

	Day's spread	Close	One month	% p.a.	Three months	% p.a.
Jan. 7						
UK	2.4100-2.4225	2.4125-2.4135	0.65-0.75c/ds	-3.48	1.35-1.45ds	-2.32
Ireland	5.1000-5.1175	5.1000-5.1175	15-20c/ds	2.23	26-29p.m.	1.80
Canada	1.1885-1.1893	1.1885-1.1893	0.14-0.20p.m.	1.11	0.21-0.16p.m.	0.82
Netherlands	10.2550-11.2110	11.2100-11.2110	1.55-1.65c/ds	8.81	3.70-3.80p.m.	6.92
Belgium	31.19-31.25</					



## Recession good for agriculture'

Financial Times Reporter

FARMERS were told yesterday that the recession could be good for British agriculture because it will lead to a slimmer, more efficient industry. But there would have to be a substantial cut in the labour force.

Mr. Dan Cherrington, a farmer and agricultural consultant, told the annual Oxford Farming Conference: "The biggest change of all that is inevitable is in labour. It is, after all, normally the highest cost and reductions are already upon us."

"The basic grass-growing areas will be increasingly family farms, with the size of the unit dependent on how many sons there are. The reason is simply that they will not be able to afford the wages and overtime payments of the eighties," he said.

"The industry needs this current recession to appraise critically its direction. We will emerge a slimmer and wiser industry in the 80s with more opportunities for young men prepared to work very hard rather than spend money. But this revolution will not be comfortable, and the saddest part will be the very substantial reduction in labour used on farms."

## Ivory Coast seeks new cocoa pact terms

ABIDJAN — Ivory Coast President Felix Houphouet-Boigny said he is seeking to renegotiate the terms of the current cocoa agreement, which, he said, his country has no intention of signing in its present form.

Last November in Geneva international negotiators approved a three-year cocoa pact designed to help stabilise the world market, but without winning the participation of the largest importer, the U.S., or the Ivory Coast which had an average 22 per cent of world sales in the four years to 1978/79 and is second only to Ghana among exporting countries.

Although no dates or venue were given for the renegotiation, Mr. Houphouet was reported to have said that if they ended in failure, the Ivory Coast would then seek to withdraw producers' money placed with the ICCO to finance a long-planned buffer stock.

## BRITISH COMMODITY PRICES

### BASE METALS

	Ammalized Metal Trading reported that in the morning cash wirebales fell 1.5 per cent on the London Metal Exchange, following the weakness in gold and the late downturn in overnight American markets. Forward metal opened at £821 and gave ground to £818 by the close of the morning. Kerb: Afternoon trading was suspended. London metal prices in pressure following a further decline in New York, with the price falling back to £809 before closing the late Kerb at £812. Turnover: 30,473 tonnes.		
	A.M. Official	P.M. Official	+ or Unofficial
COPPER	£	£	£
High Grade	8.5	8.5	8.5
Cash.....	795.75	798.01	-2.25
3 months	795.50	813.4	+2.5
Settlement	797.5	—	—
Standard	—	—	—
LEAD	—	—	—
High Grade	779.90	777.4	-1.5
3 months	802.3	795.7	-12.7
Settlement	780	—	—
Strait's E	—	—	—
U.S. Prod.	—	86.75-90.2	—
S.M. + or Official	—	—	—
P.M. + or Official	—	—	—
+ or Unofficial	—	—	—

I.G. Index Tel: 01-622 9182. Our clients speculate, free of tax, in very small to very large amounts, on:

1. London Traded commodities, including GOLD.
2. The STERLING/DOLLAR exchange rate.

L.G. Index Limited, 73, The Chase, SW4 0NP. Telex: 849756

CORAL INDEX: Close 454-459 (-11)

OIL INDEX  
Oil Futures  
Refined March '81 \$44.47  
Crude April '81 \$43.17

**Heating Oil—if you don't have money to burn.**



**PRESCOT COMMODITIES LIMITED**  
Dealers in Commodities & Foreign Exchange

6 BLOOMSBURY SQUARE, LONDON WC1A 2LP. Tel: 01-242 0666. Telex: 23910

## COMPANY NOTICES

### PROVINCE OF NEWFOUNDLAND

30,000,000 CANADIAN DOLLARS 10 1/2% 1975/1985 Pursuant to the terms and conditions of the loan, notice is hereby given to Bondholders that, during the twelve-month period from December 15, 1973, to December 14, 1980, 30,000,000 of such Bonds were purchased in satisfaction of the Purchase Requirements.

Amount outstanding: Can-\$27,500,000

PROVINCE OF NEWFOUNDLAND

January 8, 1981

## Sugar rise halted

BY OUR COMMODITIES STAFF

WORLD SUGAR prices on the London futures market fell back yesterday ending a post-Christmast rally which had added £25 to nearby positions. At the close the May position was quoted £35.00 lower at £318.125 a tonne.

The set-back came, ironically, as physical trading activity was building up after the holidays. Peru, Morocco and Portugal have all bought sugar on the world market in the last few days while Greece, Egypt, Sri Lanka and Turkey are holding buying tenders within the next week.

Turkey's rejection of all bids on Tuesday and again yesterday was thought to have been a factor encouraging the downturn. It will hold a new tender next Tuesday. Dealers also thought yesterday's EEC export

tender might have influenced the market though the number of export licences granted was in line with recent experience. They suggested that the tender reminded the market that there was a significant amount of EEC sugar on tap to fill any import demand.

The EEC Commission granted licences covering the export of 55,500 tonnes of white sugar. There was no tender last week but on December 23 export allotments totalled 61,250 tonnes of whites. This week's export levy was set at £10.269 European currency units, up from £8.978 ECUs on December 23 but broadly in line with market forecasts.

Figures issued by the International Sugar Organisation yesterday showed that Cuban

exports in the first 10 months of 1980 fell to 5.76m tonnes from 8.83m in the corresponding 1979 period.

In Peru drought hit production last year and with consumption rising Prime Minister Manuel Ulloa expects about 174,000 tonnes will have to be imported in 1981. Peru, normally an exporter of sugar, was forced to import for the first time last year.

Pakistan's production, however, is expected to grow rapidly over the next few years, according to the U.S. Agriculture Department's attache in Islamabad.

He forecast that the total would grow to 1m tonnes in 1985 from about 600,000 tonnes in the 1980-81 season.

## Sharp drop in copper prices

COPPER prices dropped sharply yesterday on the London Metal Exchange, shedding the gains of the previous two days. Cash warchars closed £22.3 lower at £790 a tonne.

Main cause of the decline was the fall in the price of gold, attributed to the fresh hopes for the release of the U.S. hostages in Iran. However the downturn started in the New York market overnight, where prices were depressed by trade selling.

Lead prices were also hit by trade selling. Cash lead lost £12.5 to £309.5 a tonne, reversing the upward trend earlier this week following sustained buying interest.

## London futures turnover up

TURNOVER on the London "soft" (non-metal) commodity futures markets jumped last year, mainly because of increased trading activity in sugar, according to figures compiled by the International Commodities Clearing House.

The numbers of lots registered with the clearing house rose in 1980 to 4,481 compared with 2,275 in 1979.

Total value of contracts traded rose in £58.7m against £31.9m previously.

By far the biggest market in turnover terms was sugar, where total lots traded in the No. 2 and No. 4 contracts rose to 2,537m from 885,403 in 1979.

Robusta coffee was the second biggest market with 1,104m lots, against 1,368m, but cocoa fell back to only 647,297 compared with 889,751. Natural rubber turnover was slightly higher at 127,565 (104,112).

## Pearl quota approved

WASHINGTON — The U.S. International Trade Commission unanimously decided that importing an additional 200m lbs of peanuts (shelled) will not adversely affect the U.S. agriculture department's peanut programme.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced crop last summer.

The Commission was acting in response to industry requests for a relaxation of peanut import controls because of limited supplies due to a drought-reduced

## LONDON STOCK EXCHANGE

# Leading industrials fall for third successive day

## Gilts unconvinced about improvement in money trends

**Account Dealing Dates**  
Option  
First Declarer - Last Account Dealings Day  
Dec 24 Jan 3 Jan 9 Jan 19  
Jan 12 Jan 22 Feb 1 Feb 2  
Jan 26 Feb 5 Feb 6 Feb 13  
"New time" dealings may take  
place from 9 am two business days  
earlier.

The threat of serious opposition to the Government's public sector pay policy by water and sewage workers coupled with reports of deteriorating industrial conditions in the Midlands made for an extension of the recent gloom in London equity markets. Gilt-edged securities also turned easier on renewed uncertainty about the Government's monetary strategy, but later reclaimed a little of the lost ground.

Wall Street's overnight advance to a four-year peak made no impression on London's fund managers and their investors. The continued dearth of institutional activity undermined equities, particularly the leaders, and the failure of an early attempt to reverse the downturn saw values subsequently falling more quickly. Recently popular Electricals were again volatile with GEC, Plessey and Thorn ENI leading the decline. Partly reflecting the weakness in these and British Petroleum, the FT Industrial Ordinary share index lost 7.4 for a three-day loss of 15.1 to 460.2.

**Banks dull**

Traders in Government stocks apparently needed advice about the directions and erratic movements from month to month in market statistics. Opening quotations were a shade lower and a fair amount of stock needed to be absorbed before the market began to steady. The recovery was then limited but it reduced falls among the longs from 4 to 1 and those in the shorts to around 4. The announcement that applications for the new £10 billion long tap stock Exchequer 12½ per cent 1990 "B" had been allotted in full caused no surprise; dealings in the £20-paid stock start this morning.

This week's revival in Chinese bonds was halted abruptly by a Press article suggesting that compensation optimism could prove to be unjustified. After a small business, 5 per cent 1915 closed 2 points down at 116, while other losses were restricted to a point.

Tuesday's flurry of activity in Traded options, which saw 1,343 deals arranged, proved to be short-lived, yesterday's contracts amounting to only 453.

Dull conditions prevailed in home Banks as renewed selling and lack of support left fresh falls ranging to 10. Barclays closed that much lower at 42½p.

as did NatWest, at 37½p, while Lloyds gave up 8 to 32½p and Midland 4 to 32½p. Elsewhere, renewed support was shown for selected merchant banks. Arbutneth Latham added 9 to 24½p and Leopold Joseph advanced 15 to 18½p. In this market, Commercial, gained 20 to 35½p among foreign issues and ANZ appreciated 7 to 27½p.

Hire Purchases came on offer with UDT easing a penny to 37½p and Stirlia 12 to 12½p.

Sellers again held the stage in Industries. Royals fell 10 to 33½p, while the new mid-paid lost 6 to 20½p premium. London United Investments gave up 5 to 17½p and General Accel. declined 1 to 16½p. Elsewhere, Hogg Rostrum cheapened 2 to 11½p; the interim results are due on Monday.

Breweries were marked steadily lower as dealers attempted to establish a trading level. Sentiment was additionally soured by reports that Allied's Ansell subsidiary is to introduce short-time working and Allied shed 2 to 63p. Bass fell 5 to 20½p. Regent's results were similarly affected and falls of 4 were common to Wolverhampton and Didcot, 18½p, and Border, 90p. Dan's sports dipped 5 to 35½p. Avon continued to react on profit-taking and fell 5 to 33½p, but Somperex pushed 520p in a narrow market before ending only 5 up on balance at 47½p; the latter announces interim figures next Tuesday.

Grand Metropolitan, preliminary results expected next Thursday, fell 5 to 147p and Trusthouse Forte gave up a similar amount to 182p.

**Pilkington down**

Miscellaneous industrial leaders again failed to attract buyers and drifted lower on small sales to close at the day's lowest. Pilkington were a prominent casualty at 26½p, down 10, while Beecham, 169p, and Glaxo, 260p, declined 6 pence. Elsewhere, Hollis Bros. and E.S.A. eased a couple of pence to 26p following the poor interim results and English China Clays softened a similar amount to 54p ahead of today's annual figures. Renwick fell 3 for a two-day decline of 12 to 26½p, following the lapsing of AAH's bid because of the low level of acceptances.

Erskine House gave up 2 to 26p on further consideration of the interim dividend omission and first half deficit and Applied Computer came on offer at 127p, down 10. Falls of 4 and 6 respectively were seen in Marshalls, Universal, 56p, and Gribepods, 100p. Renewed speculative support, however, lifted Eunitech 8 to 120p, while Peter Black appreciated 6 to 100p. Matheson's 71 per cent

statement, Thorn ENI drifted off 6 further to 302p. Among secondary issues, Ferranti, 43p, and Unitech, 28p, reacted 15 and 12 respectively. Against the trend, Crystallite stood out with a rise of 10 to 65p in response to Press mention, while First Associated Newspapers, 238p, and Daily Mail "A", 426p, fell 7 and 9 respectively ahead of tomorrow's annual results. Elsewhere in Printing issues, McCorkendale announced full-year profits in excess of market expectations and closed 15 higher at 110p. Saatchi and Saatchi continued to attract support and rose for a two-day gain of 12 at 26½p.

Two firm features emerged in an otherwise dull Proprietary sector. Anglo Metropolitan touched 84p before closing a net 7 up at 81p following an investment recommendation, while Cardiff Property attracted interest and closed 6 to the good at 86p.

Elsewhere, buyers remained on the sidelines as Land Securities lost 6 to 367p and Stock Conversion cheapened 5 to 315p. Following the placing of the chairman's and deputy chairman's allotted rights shares, Allied London 84 per cent Convertible 1990 were called 4 points down at 53 premium.

Foods traded quietly and movements were usually restricted to a penny or two either way. Recently a firm, which eased 10 to 35½p, was Avon, continuing to react on profit-taking and fell 5 to 33½p, but Somperex pushed 520p in a narrow market before ending only 5 up on balance at 47½p; the latter announces interim figures next Tuesday.

Movements in Overseas Traders were usually against holders. Comment on the auditor's qualification of the accounts left Thomas Borthwick 4 down at 26p. Jamale Sugar bucked the trend, closing 3½ up at 21p on speculative buying.

Investment Trusts moved against the general trend and closed firmer for choice. Still reflecting the good results, proposed share sub-division and

closed unaltered at 148; the price in yesterday's issue was incorrect.

Heavy lorry manufacturers ERF fell 3 to 46p after the announcement of a large first half deficit and the absence of any interim dividend.

Associated Newspapers, 238p, and Daily Mail "A", 426p, fell 7 and 9 respectively ahead of tomorrow's annual results. Elsewhere in Printing issues, McCorkendale announced full-year profits in excess of market expectations and closed 15 higher at 110p. Saatchi and Saatchi continued to attract support and rose for a two-day gain of 12 at 26½p.

The weakness of the bullion price — finally \$24 down at \$377.50 an ounce — led to sharp falls in South African Golds. The Miners Index dropped 16.2 to 104.9.

Prices gave ground from the outset as initial selling from Johannesburg was followed by persistent London offerings and heavy U.S. selling in the late afternoon.

Consequently, closing prices were the day's lowest and heavy-weighted showed losses extending to around 11½ as in Hartbeespoort, 113, West Driefontein, 188, and Western Holdings, 261.

Falls of around a point were recorded in South African steaming coal miners in Queensland's Bowen Basin encouraged buying of Central Pacific, 10 higher at 415p and Southern Pacific, 2 harder at 187p.

Two firm features emerged in an otherwise dull Proprietary sector. Anglo Metropolitan touched 84p before closing a net 7 up at 81p following an investment recommendation, while Cardiff Property attracted interest and closed 6 to the good at 86p.

Elsewhere, buyers remained on the sidelines as Land Securities lost 6 to 367p and Stock Conversion cheapened 5 to 315p. Following the placing of the chairman's and deputy chairman's allotted rights shares, Allied London 84 per cent Convertible 1990 were called 4 points down at 53 premium.

Financials followed the trend in Golds. Among South Africans, "Angold" dipped 2½ to 494p and De Beers 10 to 408p, the last-named ahead of the 1980 diamond sales figure which is expected today.

Middle Wits were an exception to the general rule and jumped to a 1980-81 high of 920p on persistent Johannesburg buying before easing to close a net 30 higher at 880p.

In a generally weak London Financials sector, Gold Fields gave up 16 to 500p, Charter 7 to 205p and RTZ 6 to 490p. Platmines closed marginally easier after quiet trading.

A movement of funds abroad which the trust undertook last year will adversely affect immediate income, he warns, particularly where it has invested in lower yielding American companies.

He expects the dividends to maintain the dividend and in time the portfolio should benefit from the strong exposure which has been created in the energy and technology sectors.

A report on November 23, 1980, put tax revenue rose from \$5.34bn to \$6.4m. Shareholders' funds at October 31 stood at \$14.454m (£10.61m). Bank loans were lower at 55.65p (£7.05m) and capital employed was higher at £154.87m (£121.47m).

Meeting, Edinburgh, January 29, at 11 am.

**RISES AND FALLS****YESTERDAY**

Up Down Same

British Funds	1	7	15
Corpor. Dom. and Bonds	4	12	44
Industrials	13	33	914
Financials and Prop.	43	128	269
Oils	15	27	26
Plantations	5	1	108
Mines	33	50	46
Others	67	42	46
Total	331	677	1,442

Up Down Same

British Funds

Corpor. Dom. and Bonds

Industrials

Financials and Prop.

Oils

Plantations

Mines

Others

**ACTIVE STOCKS**

No. Denomination marks Closing price (p) 1980-81 1980-81

Stock	Denomination	Closing price (p)	Change on day	High	Low
Crystallite	50	69	+10	71½	35
Rac. Electronics	250	313	-14	370	175
First Castle	100	80	+6	90	24
New Court Nat.	50	90	+1	118	32
Anglo Metrop.	250	61	+7	68	56
GEC	250	588	-15	620	326
Ryl. Josur. "New" Nil pd.	20pm	6	-31	31pm	29pm
Assoc. Comms. 'A'	250	52	-1	117	45
BP	250	396	-12	502	320
GKN	51	147	-3	279	133
Plessey	500	255	-11	288	108
Shell Transport	250	446	-8	522	314
Ultimaran	250	490	-16	533	206
BAT Inds.	250	169	-6	179	105
Beecham	250	169	-6	179	108

Denomination marks

Closing price (p)

Change on day

High

Low

1980-81

Stock

1980-81

+ or -

Amount

Open

Close

Yield

P.R. Ratio

1980-81

1980-81

1980-81

1980-81

1980-81

1980-81

1980-81

1980-81

1980-81

1980-81

1980-81

1980-81

1980-81

1980-81

1980-81

1980-81

1980-81

1980-81

1980-81

1980-81

1980-81

1980-81

1980-81

1980-81

1980-81

1980-81

1980-81

**AUTHORISED  
UNIT  
TRUSTS**

CES

Assignment Unit Tst. Mgrs. Ltd.  
Buckingham, London W1G 8BD. 0-248-0004  
High Income Fund. 57.0 7.50  
North America Fund. 57.0 7.50  
Corporate Exempt. 57.0 7.50  
Mid-Market High Inc. 57.0 7.50  
Gift Trust. 57.0 7.50  
Weekly dealing day Wednesday.

Drexel Hunt Unit Tst. Mgrs. Ltd. (a) (c)  
4 Michelle Cres., Edinburgh, EH3 6BB. 0-248-0004  
Gres Amer. Fund. 57.0 7.50  
Gres. Corp. Fund. 57.0 7.50  
Gres. High Inc. Fund. 57.0 7.50  
Gres. Reserves Fund. 57.0 7.50  
Gres. Tokyo Fund. 57.0 7.50

John Harvey & Ross Unit Tst. Mgrs. Ltd. 57.0 7.50  
Mid-Capital, London EC3V 3PB. 0-248-0004  
Unit Trust Fund. 57.0 7.50

Killed Members Ltd. (a) (g)  
100, New Bond St., London EC2V 1AU. 0-248-0004  
Retirement Funds. 57.0 7.50

Leeds & Finsbury Fund. Mgmt. Ltd. 57.0 7.50

Lifecare & Income. 57.0 7.50

Life & Genl Dev. 57.0 7.50

Liberty Fund. 57.0 7.50

London Fund. 57.0 7.50

Longfellow Fund. 57.0 7.50

Middleton Fund. 57.0 7.50

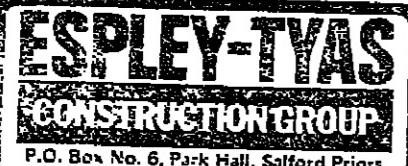
Monetary Fund. 57.0 7.50

Montgomery Fund. 57.0 7.50

North America Fund. 57.0 7.50

North Europe Fund. 57.0 7.50

North America Fund. 57.0 7.50



F.O. Box No. 6, Park Hall, Salford Priors,  
Evesham, Worcestershire  
Tel: Salford-on-Avon 3721 (20 lines)  
STD: 078 98813721

# FT SHARE INFORMATION SERVICE

## LOANS

1980-81

High Low

Stock

Pr. L.

+/-

Yield

Int. Red.

Public Board and Ind.

1980-81

High Low

Stock

Pr. L.

+/-

Yield

Int. Red.

Financial

1980-81

High Low

Stock

Pr. L.

+/-

Yield

Int. Red.

BRITISH FUNDS

1980-81

High Low

Stock

Pr. L.

+/-

Yield

Int. Red.

"Shorts" (Lives up to Five Years)

1980-81

High Low

Stock

Pr. L.

+/-

Yield

Int. Red.

Treasury 3c Oct 1981

1980-81

High Low

Stock

Pr. L.

+/-

Yield

Int. Red.

Treasury 3c Sept 1981

1980-81

High Low

Stock

Pr. L.

+/-

Yield

Int. Red.

Treasury 3c Sept 1981

1980-81

High Low

Stock

Pr. L.

+/-

Yield

Int. Red.

Treasury 3c Sept 1981

1980-81

High Low

Stock

Pr. L.

+/-

Yield

Int. Red.

Treasury 3c Sept 1981

1980-81

High Low

Stock

Pr. L.

+/-

Yield

Int. Red.

Treasury 3c Sept 1981

1980-81

High Low

Stock

Pr. L.

+/-

Yield

Int. Red.

Treasury 3c Sept 1981

1980-81

High Low

Stock

Pr. L.

+/-

Yield

Int. Red.

Treasury 3c Sept 1981

1980-81

High Low

Stock

Pr. L.

+/-

Yield

Int. Red.

Treasury 3c Sept 1981

1980-81

High Low

Stock

Pr. L.

+/-

Yield

Int. Red.

Treasury 3c Sept 1981

1980-81

High Low

Stock

Pr. L.

+/-

Yield

Int. Red.

Treasury 3c Sept 1981

1980-81

High Low

Stock

Pr. L.

+/-

Yield

Int. Red.

Treasury 3c Sept 1981

1980-81

High Low

Stock

Pr. L.

+/-

Yield

Int. Red.

Treasury 3c Sept 1981

1980-81

High Low

Stock

Pr. L.

+/-

Yield

Int. Red.

Treasury 3c Sept 1981

1980-81

High Low

Stock

Pr. L.

+/-

Yield

Int. Red.

Treasury 3c Sept 1981

1980-81

High Low

Stock

Pr. L.

+/-

Yield

Int. Red.

Treasury 3c Sept 1981

1980-81

High Low

Stock

Pr. L.

+/-

Yield

Int. Red.

Treasury 3c Sept 1981

1980-81

High Low

Stock

Pr. L.

+/-

Yield

Int. Red.

Treasury 3c Sept 1981

1980-81

High Low

Stock

Pr. L.

+/-

Yield

Int. Red.

Treasury 3c Sept 1981

1980-81

High Low

Stock

Pr. L.

+/-

Yield

Int. Red.

Treasury 3c Sept 1981

1980-81

High Low

## **INDUSTRIALS—Continued**

Stock	Price	Int.	Cov.	Div.
-------	-------	------	------	------

## **INSURANCE—Continued**

42 Loc.	Stock	Price	+ or -	Div. Rate	CW
------------	-------	-------	-----------	--------------	----

**PROPERTY—Continued**

**AC** | Stock | Price | + or - | Div. Net | D.

## INVESTMENT TRUSTS-Cont.

1980-81		Stock	Price	+ or -	Dr.	Cr.
High	Low					

**FINANCE, LAND—Continued**

Yd	1980-81		Stock	Price	+	er	Div.	Yld
	High	Low			-	Net		Cov Gr's

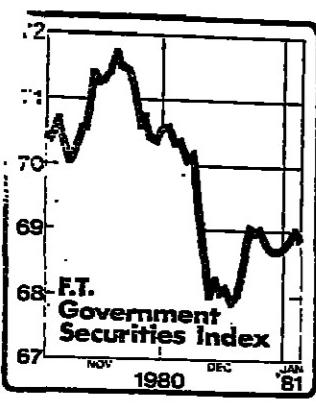
#### **OIL AND G**

**WAKO**  
SECURITIES CO., LTD.  
Tokyo, Japan  
Wako International (Europe) Ltd.  
10th Floor, One Newgate, London Wall, London  
EC1R 5AS, England  
Tel: 0100-285400, Telex: 884029, 884020  
Geneva Representative Office:  
15, Avenue des Arts, 1204, Geneva, Switzerland

**MINES—Continued**

### Australian

BANK LEUMI (U.K.) LTD.

Yours ... for all business  
with ISRAELHead office and West End Branch  
4-7 Woodstock Street, London  
W1A 2AF Tel 01-529 1205

## Demand limited for new gilt stock

By Peter Riddell, Economics Correspondent

THE NEW £1bn long-dated gilt-edged stock attracted only limited demand when the offer closed yesterday morning.

The gilt-edged market was unsettled in spite of Tuesday's publication of figures showing that the rate of monetary growth had slowed last month. Prices slipped by up to £1 before closing between £1 and £1 down.

Uncertainty caused by the water employees' pay talks and by the £500m call on Friday on the 2003-07 stock may have been restraining influences.

Brokers find it difficult to estimate how much has been sold as many subscriptions are made directly. Estimated range from £100m nominal to more than £200m. There is no dispute that interest was modest.

The Bank of England announced that all tenders from the public for the stock—12 per cent Exchequer 1998—had been allotted in full at the minimum price of £89.75 per cent.

Only £20 per £100 nominal had to be subscribed yesterday, with the balance due over the next two months.

The market is still generally optimistic about the trend of UK interest rates, but is confused about the meaning of the monetary statistics. Investors are unclear about the direction of Government fiscal and monetary policy ahead of the Budget, probably in mid-to-late March.

There is general expectation in the gilt market that the rate of monetary growth should be more favourable in the next two or three months.

This is because the public sector is moving into large financial surplus—even on a seasonally adjusted basis—big receipts are expected from sales of Government debt and gilts bonds, and bank lending appears to be growing more slowly.

There is, however, concern that a large public sector borrowing requirement will re-emerge at the start of the next financial year. It is unclear how this will be related in the medium-term financial strategy.

## U.S. car sales fell to 6.4m units last year

BY IAN HARGREAVES IN NEW YORK

THE U.S. motor industry ended 1980 with a worsening slump, bringing car sales for the year, according to the domestic manufacturers.

Ford, General Motors, Chrysler and American Motors sold about 6.4m units, a dramatic drop from the 8.3m cars sold in 1979 and the worst performance for almost 20 years.

Imports in December, although complete figures were not available, appeared to have held their market share at about the 27 per cent level achieved in the first 11 months of the year.

That would take imported car sales to about 2.38m for the year, which is only slightly higher than the 2.3m of 1979, but market share was up from under 22 per cent.

The sales figures are a major factor in explaining why the domestic companies lost almost \$4bn in the course of the year, according to recent estimates. Final-quarter financial figures have not been reported.

The industry was engaged last

year in an unprecedented capital spending boom to retool for the smaller cars U.S. consumers now prefer. It was also the year when Chrysler was rescued from bankruptcy by the U.S. Government.

For the importers, improved performance was enough to produce a dramatic increase in market share—an increase which prompted repeated threats of anti-import protection devices, none of which came to anything.

Of the major manufacturers, Ford's figures look the worst. The company's unit sales for the year of 4.7m cars, and 794,000 trucks were down by 30 per cent and 33 per cent respectively on the year earlier.

General Motors car sales at 4.1m were down 16.5 per cent on the year and truck sales of 943,000 were 32.5 per cent below the 1979 total.

Chrysler came in with car sales of 660,000, down by 27.3 per cent. Its sales figure is swollen to 789,000 if Chrysler's captive imports of Japanese cars are included. Chrysler's

truck sales of 250,000 were down by 35.5 per cent.

The largest importer, Toyota, ended the year with combined car and truck sales of 714,000 units, a figure which takes the Japanese company in striking distance of equaling Chrysler in importance in the U.S. market. Nissan's total for the year was 628,000 units, an 8.5 per cent increase on the year.

BL, which has had a wretched period in recent years, struggling with distribution problems, sold 32,179 cars in the U.S. in 1980, a 24 per cent drop on 1979. The company showed a sharp improvement in December, however, thanks to some heavy price discounting.

American Motors, now controlled by Renault of France, sold 149,000 cars in the year, a drop of 8 per cent, and 78,000 trucks (which includes sales of the Jeep), which was a 45 per cent drop. Sales of imported Renaults, however, were up by 34 per cent at 25,000 units for the year.

Chrysler's hope fades, Page 4

## Solidarity rejects government call for Saturday working

BY CHRISTOPHER BOBINSKI IN GDANSK

SOLIDARITY, Poland's largest independent union, yesterday seemed to be heading for a head-on collision with the Government after a meeting of the union's national committee

had declared itself against Saturday working.

The first clash will come this Saturday, when the Government has declared a work day. Many regional union branches have told their members they need not respect the order.

The authorities originally agreed to free Saturdays for the year, beginning this month.

In an agreement signed with striking miners in Jastrzebie in Silesia last September, the agreement applied to the whole union.

A delegate from Jastrzebie summed up the mood of yesterday's national committee meeting when he said: "The miners

told Parliament that the Government was proposing that workers have only two Saturdays off each month.

Talks earlier this week between Mr. Lech Walesa, leader of Solidarity, and Mr. Mieczyslaw Jagielski, deputy premier, on the issue ended in deadlock. The Government claimed that industrial production would fall by up to 12 per cent this year if all Saturdays were free, and this would spell catastrophe for the economy.

The union leadership would find it difficult to move on this issue as any suggestion of concessions on free Saturdays would likely be ruled out by the union membership.

A delegate from Jastrzebie criticised the lack of progress in negotiations on access for the union to radio and television.

## Dispute to hit Channel ferries

BY PAULINE CLARK, LABOUR STAFF

THE SEAMEN'S dispute spread yesterday to cross channel ferries when leaders of 3,500 Dover seamen voted unanimously for a 24-hour strike from midnight on Monday.

The action, taken in support of a 16 per cent national pay claim, is aimed at halting all three main ferry services: P and O Ferries, Townsend Thoresen and Sealink. Between them they operate a dozen ships, each sailing about three times a day to Belgium and France.

The ferry operators were also warned by the union's Dover branch that after Monday their ships could be hit by a campaign of lightening strikes as part of the national industrial

action planned by the National Union of Seamen.

A number of cargo ships have been affected by the action since before Christmas but the only British ferry service so far affected has been the Liverpool/Belfast P & O Line.

The company said yesterday it expected the service to be restored from today.

Widespread disruption to much of British shipping from next Monday remained in prospect yesterday in spite of agreement between shipping employers and the union to meet for exploratory talks under the Advisory, Conciliation and Arbitration Service.

The union, which wants independent arbitration on its pay claim, rejected a shipowners' calls for industrial action to be

called off—a demand which was set as one point yesterday as a condition for joining talks at ACAS.

The union's executive council on Tuesday called for a strike to stop all British deep sea vessels sailing from British ports from Monday and selective strike action on British ships in foreign ports.

In addition it plans to increase guerilla action on coastal ships and ferries.

The dispute spread yesterday to affect Aberdeen oil rig supply vessels where seamen proposed for a 48-hour stoppage over the pay dispute. The port has already been shut by a dockers' strike over pay where a 13 to 14 per cent offer has been rejected.

## Younger forecasts boom

BY RAY PERMAN, SCOTTISH CORRESPONDENT

THE NEXT 30 to 40 years would see a new chapter in industrial development in Scotland in which local firms must be ready to share, Mr. George Younger, Scottish Secretary, said yesterday.

He told a joint delegation from the Scottish TUC the Scottish Council for Development and Industry and local authorities that companies should not be downhearted by the bleak short-term prospects.

Unemployment was high and would continue rising, but there were signs that interest rates would fall as the economy improves and that inflation and the money supply were being brought under control.

Mr. Younger said Scotland was about to share in a big boom in oil and gas development, the building of petrochemical complexes and an expansion of the electronics industry.

Action on Chrysler's new request is not expected until the Reagan Administration takes over in less than two weeks.

Continued from Page 1

### Fed

unfortunate instability in the credit market.

The Fed chairman is intensely involved in Chrysler's future, sitting on the three-member Government panel with control over public loan guarantees to the ailing car companies.

Action on Chrysler's new request is not expected until the Reagan Administration takes over in less than two weeks.

## Westward payment of £75,000 to Cadbury

By John Moore

MR. PETER CADBURY, the former chairman of Westward Television who was deposed in an acrimonious boardroom row last summer, has received a payment of £75,000 from

BL, which has had a wretched period in recent years, struggling with distribution problems, sold 32,179 cars in the U.S. in 1980, a 24 per cent drop on 1979. The company showed a sharp improvement in December, however, thanks to some heavy price discounting.

American Motors, now controlled by Renault of France, sold 149,000 cars in the year, a drop of 8 per cent, and 78,000 trucks (which includes sales of the Jeep), which was a 45 per cent drop. Sales of imported Renaults, however, were up by 34 per cent at 25,000 units for the year.

Chrysler's hope fades, Page 4

## THE LEX COLUMN

## Banks stir a new SDR cocktail

Index fell 7.4 to 460.2

reflected the last pay round. Real growth will be hard to come by during 1981.

Yet in terms of dividend paying power, the pattern of a year or two's new business is of small significance, and the sector remains one of the strangest in this respect. In contrast to the dividend-walk, or dividend cuts that abound elsewhere, increases of up to 15 per cent are possible from the life offices this year. The sector was the sixth strongest performer in the market during 1980, although it has come off sharply in relative terms since its peak at the end of October. At present price levels the prospective yield of about 8.1 per cent is probably in line with the market as a whole.

### Akroyd & Smithers

A close to the level of renumeration currently being enjoyed in the Stock Exchange community can be found in the latest report of Akroyd and Smithers, the stockbrokers,

which of course enjoyed a boom year in 1979-80, helped by the gilt-edged tap issues. Income per capita for the 400-odd employees rose two-fifths to some £18,000, net, counting over £6,000 a head in pension scheme top-ups. Twelve employees received a £10,000 bonus, and 250,000 and of course the nine directors received rather more.

Justifying this, Akroyd points out that the majority of its competitors are partnerships, and in order to attract and retain staff of the highest calibre, we must provide rewards comparable with those available elsewhere.

It is common knowledge in the City that the big broking firms have been enjoying a profits bonanza, but because most of them are partnerships it will never become common knowledge just what sort of figures have been attained. Most brokers close their financial year in the spring, and because partnerships cannot carry forward any retained profits, a lot of money is going to be splashing around. This could be a matter for some embarrassment when meeting institutional and (especially) individual clients.

Yet it is also true that shock-breaking losses are followed by plumps; if that were not so, there would be a still more powerful demand for cuts in commission rates. In the bad year 1977-78, for example, the income of Akroyd's highest paid director fell by a quarter, and Akroyd now thinks its 1979-80 profits level "may not be repeated in the foreseeable future."

## Backing for water strike 'growing'

By John Lloyd, Labour Correspondent

SUPPORT for a national stoppage by manual workers in the water industry is strong and growing, according to regional union officials.

They expect a rash of unofficial strikes to precede a call for a national strike, which is unlikely before the beginning of next month after consultations between union leaders and members.

The General and Municipal Workers' Union, representing 20,000 of the 32,000 manual workers, sent letters yesterday to water workers' delegates asking them to recall the regional industrial conferences to discuss the negotiators' call for industrial action as soon as possible.

The National Union of Public Employees, with about 10,000 members in the industry, called a special meeting on Saturday to discuss the recommendation of today's meeting of its national workers' water council, which is expected to be for a national stoppage.

The employing National Water Council, which repeated yesterday that the 7.9 per cent offer rejected twice by the unions was final, believes that the workers will stop short of a national strike, though it is prepared for local actions.

In the event of a national strike, some 15,000 troops would be deployed.

The National and Local Government Officers' Association, which organises most of the white-collar staff in the industry, said last night that its members would be instructed not to supervise troops.

Nerve and judgment under pressure, Page 6

## Tokai Bank is the driving force.

Los Angeles, New York and now Chicago. Full Tokai branches

reach from coast to coast in the United States. And they're supported

in North America by a representative office network that includes

Toronto, Mexico City and Houston.

Of course, offices are just part of Tokai's strength. Assets total over

44 billion dollars. And the ways Tokai utilizes those resources have

made the bank an influential financial leader—in Japan, North America and the world.

A take charge attitude.

Tokai has it. And it keeps Tokai moving ahead.

**TOKAI BANK**



CALIFORNIA JAN-72

Head Office: 21-24, Nishi-ku, Nagoya, Tel. 052-211-5111 Overseas Network (Branches & Agencies) New York, Los Angeles, Chicago, London, Frankfurt, Singapore, Representative Offices: Moscow, Tokyo, Mexico City, São Paulo, Paris, Tehran, Jakarta, Kuala Lumpur & Sydney. Subsidiaries: Tokai Bank Nederland N.V., Tokai Bank Limited (Affiliates & Associates) London, Bangkok, Hong Kong & Sydney.

Registered at the Post Office. Printed by St. Clement's Press, London, E.C.2. © The Financial Times Ltd., 1981.

By the Financial Times Ltd., Brackley House, Chesham, Bucks, HP22 5JL. © The Financial Times Ltd., 1981.

## West Germany may sell tanks to Saudis

BY JONATHAN CARR IN BONN

THE West German Government seems ready to consider a request from Saudi Arabia for arms including tanks.

Bonn sees Saudi Arabia as an important element of stability in the Gulf region and of moderation within the Organisation of Petroleum Exporting Countries. Saudi Arabia is also the biggest source of West Germany's oil and there are growing financial and economic links between Bonn and Riyadh.

The Bonn Government's apparent willingness to assist the Saudis in their search for suppliers of an extensive range of arms represents a reversal of previous policy. It would imply a relaxing of Bonn's sensitive relations with Israel. Close policy co-operation would also be

needed with the U.S. which has its own strong security interests in the region